



U.S. Department of State

FY 2001 Country Commercial Guide: Jamaica

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CHAPTER I: EXECUTIVE SUMMARY

This Country Commercial Guide (CCG) presents a comprehensive look at Jamaica's commercial environment, using economic, political and market analysis. The CCGs were established by recommendation of the Trade Promotion Coordinating Committee (TPCC), a multi-agency task force, to consolidate various reporting documents prepared for the U.S. business community. Country Commercial Guides are prepared annually at U.S. embassies through the combined efforts of several U.S. Government agencies.

Jamaica is the largest English-speaking island in the Caribbean (area - 4,411 sq. miles), with a small but diversified economy and natural resources. Jamaica's nominal GDP for 1999 was USD 6.5 billion. Although the island's small population (2.58 million) and modest per capita income of roughly USD 2,531 (nominal figures) limit investment for the domestic market, it may offer

potential for export-oriented activities. One of the oldest democracies in the hemisphere, the incumbent government (People's National Party) under P. J. Patterson has been in power for nearly a decade.

Exporters may find good opportunities in Jamaica's tourism sector, the bauxite/alumina industry, agribusiness, utilities, and data entry. Given the importance of Jamaica's environment to the economy, there may also be opportunities in the area of environmental and ecotourist technology. The government also is pushing development of the information technology sector.

The principal barriers to exporting to Jamaica are the declining real incomes of the majority of the population, occasional foreign exchange shortages, poor internal transportation infrastructure, high interest rates and high tariffs for certain (especially selected agricultural) products. In 1999, a financial sector bailout, high cost of production (including security costs) in the manufacturing sector, adverse weather conditions which affected the agricultural sector (sugar, bananas and coffee) and depressed commodity prices deprived the country of domestic sources of investment and contributed to a growing public debt (58 percent of the national budget is devoted to debt service). The major source of revenue is taxes: 36 percent from income tax, 20 percent value added tax (the General Consumption Tax "GCT", is 15 percent on most items) the rest from customs duties (8 percent). The government reiterated its commitment to pursuing more stringent measures to ensure tax compliance and introduced a few revenue enhancement measures such as increased withholding tax, limits on untaxed gratuities, higher customs warehouse fees and reduced borrowing costs.

The Jamaican government welcomes, indeed encourages, foreign investment and offers a variety of incentives for investments that facilitate foreign exchange earnings and savings, offer employment opportunities for Jamaican labor, contribute to local infrastructure, and/or use local raw materials. There are a number of other attractions for investors including low-wage rates (as compared to the U.S.), proximity to the U.S. market, and preferential market access to the U.S. (through the Caribbean Basin Initiative - CBI), Canada (CARIBCAN), Europe (In June 2000, a new EU-ACP Partnership Agreement was signed, effective until 2008.) the countries of the Caribbean Common Market (CARICOM), Venezuela and Columbia.

The United States remains Jamaica's primary trading partner. In 1999, merchandise imports to Jamaica from the United States amounted to 47.8 percent of Jamaica's total imports of USD 2.89 billion (down from 51 percent in 1998). The U.S. has been Jamaica's principal export market over the last two decades. Major U.S. imports from Jamaica in 1999 were bauxite and alumina (USD 148.5 million), food (USD 51.7 million), and garments under the 807 and Cut, Made and Trim (CMT) provisions of U.S. law (USD 429.2 million, of which about a third constitute the value added). In 1999, tourism continued to be the main pillar of the economy, with about two-thirds of all tourists coming from the United States. Significant new projects under development in 2000 include the completion of Ritz-Carlton, a major hotel complex (430 rooms) in the Montego Bay resort area scheduled to open in August 2000, FDR Pebbles in Trelawny (96 rooms) opened in March 2000 and Robins Bay Beach (71 rooms) in Ocho Rios scheduled to open in August 2000.

The recent adoption of CBI enhancement legislation that grants Caribbean Basin States roughly NAFTA parity to the U.S. market will be a beneficial opportunity for investors. However, Jamaica's competitiveness even vis-à-vis its neighbors is hampered by other critical factors such as

inflexible labor laws, poor management, security costs, low productivity and high employee turnover.

Since late 1995, the government has been preoccupied with restoring the ailing financial sector, which suffered from the failure or insolvency of many of the island's major banks and insurance companies (see Chapter VIII: Trade and Project Financing under "The Banking System"). In January 1997 the government created an agency, the Financial Sector Adjustment Company (FINSAC), with a projected seven-year mandate, whose sole purpose is to provide funding and reorganization assistance to restore the sector. Since 1997, the Jamaican government has passed a number of laws tightening controls over the activities of banks, insurance companies and other financial institutions and, for the first time, providing for deposit insurance. According to the Ministry of Finance, the intervention phase of FINSAC is now complete and the rehabilitation and divestment stages are now proceeding on schedule. The cost thus far for intervention, has been approximately USD 2.6 billion. Although FINSAC plans to dispose of most of the assets acquired, their market value is expected to be less than one quarter of the cost of acquisition.

Country Commercial Guides are available for U.S. exporters from the National Trade Data Bank's (NTDB) CD-ROM or via the INTERNET. Please contact STAT-USA at 1-800-STAT-USA for more information. Country Commercial Guides can be accessed via the World Wide Web at [HTTP://WWW.STAT-USA.GOV](http://WWW.STAT-USA.GOV) and [HTTP://WWW.STATE.GOV/](http://WWW.STATE.GOV/), and [HTTP://WWW.MAC.DOC.GOV](http://WWW.MAC.DOC.GOV). They can also be ordered in hard copy or on diskette from the National Technical Information Service (NTIS) at 1-800-553-NTIS. U.S. exporters seeking general export information/assistance and country-specific commercial information should contact the U.S. Department of Commerce, Trade Information Center by phone at 1-800-USA-TRAD(E) or by fax at (202) 482-4473.

CHAPTER II: ECONOMIC TRENDS AND OUTLOOK

Major Trends and Outlook

In 1999, estimates of the Gross Domestic Product (GDP) valued in 1986 prices indicate a 0.4 percent contraction of the economy, to USD 6.5 billion. This is the fourth consecutive year of contraction in overall economic activity: in 1996 GDP declined 1.3 percent followed by 2.0 percent in 1997 and 0.5 percent in 1998.

Since 1996, domestic output has been constrained by the aftermath of the financial crisis, tight macro-economic policies, a deteriorating trade balance influenced by changes to preferential trade regimes and by an overvalued exchange rate that made Jamaican products uncompetitive in international markets. High unemployment and high borrowing costs reduced private consumption spending. Meanwhile, government expenditures have remained low due to cuts in capital expenditures and in the real-wage bill.

The services sector grew by 4.8 percent in 1999, thanks to the restructuring of the financial sector, developments in electricity and water, the transport and communication sectors and the hotels and restaurant sub-sector. However, this was offset by the continued decline in the goods-producing sector. All the major sub-sectors in goods producing industries except agriculture recorded declines.

Outlook: The GOJ projects two to four percent annual growth for the next two years. Given the current situation, this target appears extremely ambitious. A slow recovery is more likely, with marginal growth. Continuation of the recent bullish performance of the Jamaican stock market, positive investment boosted by price stability and the forecast reduction in interest rates, further rehabilitation and retooling, divestment of government assets, growth in information technology, expansion in bauxite/alumina industry and tourism will contribute to the recovery. The economy remains vulnerable to developments overseas as both tourism and the bauxite/alumina industry -- the main pillars of the economy -- depend on world consumers. Prospects for the agricultural sector do not augur well: the country presently is suffering a drought and is challenged by the phase-out of preferential markets (such as bananas) by the EU. Fiscal restraint imposed by high debt-service payments may also limit economic expansion.

Principal Growth Sectors

Since 1983, tourism has been Jamaica's primary foreign exchange earner. Total visitor arrivals have remained well over one million annually. For calendar year 1999, gross earnings amounted to USD 1.23 billion. Stopover visitors (visitors staying one night or more) averaged 62 percent of total arrivals, 70 percent of which came from the U.S. Total room capacity (hotel, apartments, guest houses, apartments and resort villas) on the island is 23,067 and is expanding. Another 1,289 rooms are scheduled for completion between 2000 and 2001. However, the hotel room occupancy rate for 1999 was only 55.9 percent.

Plans continue for development of the historic Port Royal area, near Kingston, as a tourist site. The luxury Ritz-Carlton chain in Montego Bay is scheduled for completion this year. The two largest Jamaican based hotel chains Sandals and SuperClubs have investments throughout the Caribbean (including Cuba). Other projects underway in 2000 include Robins Bay Beach, Parrottee Villas and Golden Shores Resort.

Jamaica has large commercial deposits of mineral resources including limestone (two-thirds of the island), bauxite, gypsum, marble, silica sand and clays. At present, mining and processing of bauxite comprise more than 90 percent of all mining activity. Next to tourism, the bauxite/alumina industry is the second pillar of the economy constituting about 10 percent of real GDP, and employing about 5,000 people. It is the island's highest paid sector. In 1999, bauxite and alumina production declined by 7.3 percent to 11.79 tons. The Jamaican bauxite industry suffered a setback due to an explosion at the Gramercy refinery in Louisiana. Kaiser Jamaica Bauxite Company (KJBC) exports two thirds of its production bauxite from a mine near Jamaica's north coast to the Gramercy plant. However, the lost volume was offset by increased international bauxite price. The net effect of increased alumina output and rising prices was just about sufficient to maintain export revenues at the same level as in 1998. Gross foreign exchange earnings during the period amounted to USD 687 million compared with USD 687.5 million in 1998. Net foreign exchange earnings and inflows to meet local payments from the bauxite/alumina industry declining by 6.1 percent to USD 316.4 million.

The agricultural sector generates seven to eight percent of GDP and employs over 20 percent of Jamaica's employed work force. Jamaica has a favorable climate and varied soil types. Major traditional export crops are sugar, spices, bananas, coffee, citrus, allspice, and pimento. Other crops of importance include yams, tropical fruits and vegetables, legumes, and horticulture. In July 2000, the United States approved the importation of canned Jamaican ackee, a tropical fruit used in Jamaican cooking. Jamaican ackee exports to the United States are forecast to eventually reach USD 40 million annually. Over the last few years, the agricultural production and earnings have declined due to lower international prices, adverse weather conditions and concerns over banana exports to Europe on preferential terms under the Lome Convention.

Government Role in the Economy

Budget expenditure estimates for the Jamaican FY (April-March) 2000/01 was proposed at JDOLS 167.4 billion, an overall increase of 6.2 percent over the previous fiscal year. Of this amount, 67 percent, or JDOLS 95.5 billion, was allocated for "recurrent" (i.e. ongoing) expenditure with JDOLS 41.4 billion allocated for debt service (interest payments). The remaining JDOLS 71.8 billion represented capital spending (of which JDOLS 56.1 billion was allocated for loan repayment).

The GOJ expects to finance about two thirds of the JDOLS 167.4 billion in expenditures through a projected total revenue of JDOLS 108.3 billion: recurrent revenue: tax and non-tax; capital revenue (royalties, land sales, loan repayments, divestments); and transfers from the capital development fund (including the bauxite levy). The balance will come from debt: external, JDOLS 18.1 billion (or 30.6 percent of the total deficit) and internal, JDOLS 38.2 billion.

Debt service will account for JDOLS 97.5 billion or 58.1 percent of government budget. At the end of April 2000, external debt including guaranteed external debt stood at USD 3.07 billion. Although the overall level of Jamaica's debt is within the internationally accepted range, recent growth in the stock of domestic debt is unsustainable. Domestic debt amounted to JDOLS 139 billion or 53.1 percent of total outstanding debt. The Minister of Finance has outlined medium term strategies to manage the debt problem which include: renegotiating and refinancing domestic debt; lowering interest rates; reducing the volume of domestic debt; and accessing external capital market for additional funds.

Recently, Moody's Investor Service retained its rating of Jamaica's medium and long-term sovereign debt at ba3. According to Moody's grading system, GOJ bonds are regarded as speculative and the future uncertain. In addition, Moody's ranked Jamaica's debt below most of its Caribbean neighbors. In its statement, Moody's did commend the GOJ for its commitment to macroeconomic stability.

The economic targets announced by the GOJ for the 2000/03 fiscal year which include:

- real GDP growth of two percent each for 00/01 and 2001/02 and four percent in 02/03;
- maintaining the stability of the exchange rate (av. USD 1.00 equal JDOLS 42.5);
- holding the inflation rate below ten percent;

- reducing the fiscal deficit from 4.6 percent of GDP to a “balanced” budget for 2000/01, a small surplus of one percent in 01/02 and two percent in 02/03;
- maintaining gross reserves to 15 weeks of imports;
- reducing growth of the money supply (m3) from 10.4 percent in 1999/00 to 7.1 percent in 2002/2003;
- establishing a new regulatory body to consolidate and strengthen financial sector supervision;
- restricting the growth of new government borrowing and reducing the overall public debt.

Balance of Payments Situation

In 1999, Jamaica's balance of payments (BOP) situation worsened. Net international reserves fell USD 131.8 million after growing by USD 41.5 million in 1998. At the end of December 1999, gross reserves stood at USD 551.8 million – equivalent to an estimated 10.5 weeks of imports. The 1999 deterioration was due partly to a decline in the goods and services account. Simultaneously, the postponement of a Euro-bond issue planned as part of the 1999/2000 budget led to a drop in the official investment account. Increased private investment was not sufficient to make up for the current account deficit. The balance of payments outlook depends on a number of external factors. With increasing oil prices and stiff competition for local exports, the merchandise trade balance is likely to widen during 2000.

Infrastructure Situation

Jamaica's highway system of over 9,000 miles of primary and secondary roads is outdated and badly in need of repair. Construction of the North Coast highway project (to link the major coastal tourist areas of Montego Bay and Negril) began in 1999, but has now been temporarily suspended due to financial problems faced by the Korean contractor, Bosung Engineering and Construction Co. Ltd. The government also announced plans for a new 230 kilometer expressway linking Kingston and Montego Bay.

Transportation: Cargo and passenger transportation is carried through modern and well-equipped international air and seaports. Thirteen major airlines and over 30 international shipping lines link Jamaica with worldwide destinations. One major international shipping line, Evergreen scaled down its operations in Jamaica in 1997 and moved most of its operations to Panama due to high operating costs; Evergreen has recently resumed some transshipment operations through the port of Kingston. Sea Land closed its operations in Jamaica in May 1998 and moved to the Dominican Republic. Among the main operating shipping lines are Zim, Evergreen, Maersk, Jamaica Producers and Kent lines.

There are two world class international sea ports - Port of Kingston and Port of Montego Bay. The bauxite/alumina industry and agricultural exporters use smaller, specialized ports. The two major airports are Norman Manley International Airport in Kingston and Sangster International Airport (SIA) in Montego Bay. An Airports Enterprise Team was established in June 1998 under the authority of the National Investment Bank of Jamaica to oversee the privatization of SIA. The divestment process is in advanced stage and is expected to be completed before the end of 2000. The inland transportation system is in need of repair affecting transportation of goods within Jamaica and to ports. The revitalization of the rail system that began in 1998 continued in 1999. The government signed an agreement with Rail India Technical and Economic Services Ltd. (RITES), an agency of the government of India to rehabilitate tracks, repair and refurbish buildings and locomotives, retool workshops and acquire new equipment. According to press reports, the first stage of commuter services between Kingston and Spanish Town and Kingston and Linstead would begin operating in early 2001.

Electricity: The government owned Jamaica Public Service Company (JPSCo) is the sole producer and distributor of electricity in Jamaica. Over 95 percent of electrical power is generated from imported fuel oil. JPSCo has a current capacity of 656.2 Megawatts (MW)- maximum continuous rating, with present peak demand of about 503 MW. Approximately 510 MW (about 78 percent of the total) is produced by JPSCo. The rest is available through agreement with private power companies and an alumina/bauxite company, JAMALCO. Power is sold by JPSCo at a rate of about 12.5 US cents/kWh. Independent power plants account for about 23 percent of installed capacity. A 15.9 MW private joint venture (U.S. - Energy Resource Inc./ Jamaican - Jamaica Broilers) co-generation agreement was signed in 1997 to provide power to Jamaica Broilers' poultry processing facility. The 76 percent excess energy is sold to JPSCo. Electricity generated in Jamaica is 50 HZ

Water: In general, Jamaica has an adequate water supply from sources above and below ground. Kingston also has several reservoirs. However, occasional droughts can reduce water supplies, necessitating rationing by lock-off of residential areas. Conversely, the hurricane season can result in flooding, usually very minor, in urban areas. Recently, the GOJ signed an agreement to set up a JDOLS 6 billion joint venture company in partnership with Azurix Corporation of Texas and Montgomery Watson Limited of the United Kingdom to upgrade and rehabilitate the water system in Jamaica over 3 years.

Energy: Jamaica depends on imported energy for about 94 percent of its needs. Petroleum consumption is about 23 million barrels annually. The Petroleum Refinery of Jamaica (PETROJAM) was privatized in October 1996 when it was sold to a Jamaican group including former managers. However, due to the inability of the group to meet payments, the government halted privatization. The company continues to be operated by the Government of Jamaica.

Banking: Jamaica has a wide range of financial institutions. Since December 1995 severe problems necessitated government intervention. The near-collapse of the sector is attributed to a number of factors including: interlocking ownership (mainly banks by insurance companies); poor/questionable management practices; non-performing assets (mainly real estate); high loan default rates, estimated at 20 percent; and diffuse government oversight of the sector. In 1997, in addition to the creation of a special agency, FINSAC, to address these problems, the government amended acts governing various financial entities. These amendments include safeguards to protect depositors (among them deposit insurance), giving relevant agencies greater powers of supervision

and auditing, and allowing appropriate official intervention in troubled institutions at an earlier stage.

Telecommunications: Jamaica has a complete digital network offering a wide range of telecommunication services locally and internationally, including direct dialing to most international locations. Currently telecommunications services in Jamaica are provided through a contractual agreement by the GOJ with Cable and Wireless of Jamaica Limited – C&WJ (formerly Telecommunications of Jamaica), whose controlling shareholder is Cable and Wireless (UK). With evolving telecommunication technology and deregulation required by WTO agreements, the government adopted a new Telecommunications Policy in July 1999 and subsequently renegotiated the C&WJ monopoly agreement. Under the new agreement, C&WJ will lose its monopoly by April 2003 – domestic telephony is to be fully open to competition by October 2001 and the entire market to be fully competitive by April 2003. As a first step, the government recently issued two licenses to foreign companies to operate a new mobile telephone network. Cellular One Caribbean, a St. Maarten based franchisee of the US mobile phone company won the first license for USD 45 million. The second license was awarded to Mossel Limited, the Irish firm for about USD 47.5 million.

CHAPTER III: POLITICAL ENVIRONMENT

Nature of Political Relationship with the United States

Bilateral relations between Jamaica and the United States are good. Although the two countries occasionally disagree over specific issues, notably relations with Cuba, Jamaica has supported most U.S. objectives in the Caribbean region.

Major Political Issues Affecting the Business Climate

There are no major political issues affecting the business climate in Jamaica. All major political parties favor attracting foreign investment.

The Political System in Jamaica

Jamaica is a member of the British Commonwealth and follows the Westminster Parliamentary model. The head of state is the Governor General, the local representative of the Queen. The Prime Minister, leader of the majority in the elected House of Representatives, is the head of government. There are three major political parties, the People's National Party (PNP), the Jamaica Labour Party (JLP), and the National Democratic Movement (NDM) which was founded in 1995. The PNP and the JLP have alternated in power since independence in 1962. Since the 1970's, the orientations of the two major parties (PNP and JLP) have converged to a social democratic consensus.

The Prime Minister may call general elections at any time, but in no case later than five years after the previous election. General elections were held in December 1997, returning the party led by incumbent Prime Minister, Percival James ("P.J.") Patterson to an unprecedented third term. In

February 2000, a number of cabinet portfolios were reorganized, including those which regulate trade, business and investment. A Minister of Foreign Trade was named (previously this portfolio was handled by the Foreign Minister) and the Ministries of Industry and Investment and of Commerce and Technology were combined into a new Ministry of Industry, Commerce and Technology.

CHAPTER IV: MARKETING U.S. PRODUCTS AND SERVICES

Distribution and Sales Channels

Distribution and sales of imported merchandise in Jamaica are done principally through importers, distributors, and agent representatives. In addition, a large share of materials and supplies including machinery and equipment is imported directly by end-user firms. Close contact with end-users and provision of excellent quality after-sales service at competitive prices are essential to maintaining position in the market. At the same time, because of relatively close proximity to the United States, many importers of goods into Jamaica maintain direct contact with exporters and manufacturers' representatives particularly in Florida.

Use of Agents/Distributors; Finding a Partner

There are no specific laws in Jamaica which dictate contract terms for agents/distributors. The parties involved formulate their own terms and conditions of agreement with or without the assistance of an attorney. However, regardless of contract terms, every supplier and agent/distributor must abide by the Fair Competition Act (FCA). The FCA is designed in effect to invalidate contract clauses which restrict competition. Once an agreement is reached and signed, it becomes a legally binding document. Breaches of such contracts may be contested in a court of law.

Requests for agents/distributors can be made through any district office of the Department of Commerce, which will then involve the U.S. Embassy Foreign Commercial Service (FCS) in the search.

For the Agent Distributor Service (ADS), FCS reporting staff will conduct a search for suitable representatives and prepare a report listing firms that have read client literature and have agreed to consider a business relationship. The fee is USD 250. The GoldKey Service (GKS) may be requested directly from the Commercial Section of the U.S. Embassy in Kingston. It is a custom-tailored service that combines orientation briefings, market research and appointments with potential partners. The cost is USD 350 for the first day plus USD 250 for each additional appointment day.

Other leads and sources for business partners include the local government investment agency, Jamaica Promotions Corporation (JAMPRO), or the American Chamber of Commerce of Jamaica (which has offices in both Kingston and Montego Bay).

Franchising

In recent years, there has been substantial activity in the area of franchising. Particularly notable is the growth in the number of fast food operations. These include Kentucky Fried Chicken (KFC),

McDonalds, Pizza Hut, Subway, Dominos Pizza, Popeye's, Taco Bell and Wendy's to name a few. Usually a locally registered company is responsible for managing the operation and ensuring conformity to the franchise requirements. As part of the U.S. Commerce Department's International Buyer Program, FCS Kingston led a delegation of Jamaican business people to the International Franchise Expo in Orlando in May 2000.

Direct Marketing

While mail order sales and catalogs have not been very common, moves towards deregulation and liberalization in Jamaica have compelled persons in retailing to think of more creative ways of getting their message to customers and achieving sales growth. Direct mailings of promotional materials and telephone marketing have been used by some firms. Local credit card companies sometimes target cardholders with direct mailings offering goods and services.

Growth has been seen in network marketing for the promotion of products such as Avon, Amway and various health (food) supplements.

Joint Ventures/Licensing

Nonresident partners, unless exempted under one of the incentive programs, including corporate partners, are subject to Jamaican tax on their share of the partnership profits that accrue in or are derived from Jamaica. Nonresident foreign corporations pay tax on their share of profits at the same rates as resident corporations. Double taxation relief is available under the Convention for the Avoidance of Double Taxation which entered into force December 1991.

Steps to Establishing an Office

JAMPRO's charter is to facilitate the establishment of businesses in both the productive and service sectors of the Jamaican economy. A potential investor should present a project proposal to JAMPRO for assessment and guidance. Information should include costings, financial projections, and production levels. Registration or incorporation of the business (e.g., sole proprietorship, partnership or company limited by shares) should be made with the Registrar of Companies. JAMPRO will assist with:

- obtaining applications to the income tax department (for an income tax number and for a business/trade number);
- obtaining import licenses from the trade board;
- identification of business location (factory space or land);
- applications for concessions under incentive legislation;
- applications to the revenue board for a Business Enterprise Number (BENO);
- work permits for nonresident personnel; and
- registration under the consumption duty and/or excise duty acts.

To form a private, limited liability company, there must be at least two and a maximum of twenty shareholders. There are no restrictions on the nationality of subscribers. Two legal documents must

be prepared in order to complete incorporation of a company in Jamaica: a memorandum of association and articles of association.

Selling Factors/Techniques

There are several large, established distribution companies in Jamaica which import and distribute a range of products. These companies typically own vehicles or have salesmen on contract with appropriate vehicles. Demand and, hence, markups for products vary. Some companies specialize in high volume and fairly low markups while others will only distribute goods which ensure a fairly high mark up. Because of proximity to and the strong influence of North America, strategies which prove successful in North America are generally successful in Jamaica as well.

Advertising and Trade Promotion

Advertising is primarily done through radio, television, the press and billboards. There are several internet service providers e.g. Cable and Wireless (CWJamaica), Infochannel, Colis, JamWeb, World Telenet, Anngel, Kasnet, N5 Systems and others. A number of advertising agencies have national coverage. Radio is the most wide-reaching mass communication, with seven authorized radio stations. The two local TV networks are TVJ (formerly known as the Jamaica Broadcasting Commission (JBC)) and the private Communication Videomax Mediamix (CVM). There is also one radio station and one Television station which primarily provide religious broadcasts.

A new licensing system for Subscriber Television (Cable TV) became effective in 1998. Some 30 traditional cable TV operators have been licensed in Jamaica. In June 2000, N5 Systems Limited was granted a license to provide an island-wide wireless Subscriber Television Service.

Jamaica has two morning dailies and one afternoon tabloid as well as several periodicals and magazines, among them:

The Gleaner Newspaper (daily)

7 North St.

Kingston

Tel: (876) 922-3400

The Jamaica Herald Newspaper (Sunday)

29 Molyne Rd.

Kingston 10

Tel: (876) 968-7721

The Jamaica Observer Newspaper (daily)

2 Fagan Ave.

Kingston 8

Tel: (876) 931-7825/-7832

The Star Newspaper (afternoon tabloid)

7 North St.

Kingston

Tel: (876) 922-3400

Investor's Choice Magazine (monthly)
 12 Merrick Ave.
 Kingston 10
 Tel: (876) 929-2993

Insight (twice monthly econ/comm newsletter that takes advertisements)
 7 Kingsway, Apt. 11
 Kingston 10
 Tel: (876) 926-5404

Pricing Products

Most prices are freely determined by the market. Notable exceptions are services, such as telecommunications, electricity, water and bus fares. The Office of Utilities Regulation has been set up to monitor pricing and other activities for these utility companies. While there are no official or government policies on price regulation or control, the Fair Trading Commission (FTC) and the Consumer Affairs Commission (CAC) do monitor pricing of consumer items. The FTC generally responds to consumer complaints. The CAC plays a role in conducting research and informing the public of price variations.

Many products have traditionally been marketed to provide for fairly high markups, especially on imports or products with a high import component. Pricing is also affected by money supply and the amount of liquidity in the system. This, coupled with the strength/weakness of the local currency plays a big role in affecting local prices. Over the past several years, the Jamaican currency has not been very strong so economists and forecasters usually anticipate some amount of depreciation during any given year. (In late 1996, appreciation of the Jamaican dollar actually led to a reduction in some prices.)

Sales Service/Customer Support

After-sales service is an important competitive advantage in the Jamaican market and a requirement for an effective sales operator. If a U.S. firm has difficulty setting up its own distribution system, a local agent or distributor should be required to maintain a trained service staff with a reasonable stock of spare parts. As an alternative, the supplier could offer the customer rapid service from the United States.

Selling to the Government

Government procurement is generally done through open tenders, direct advertising, or by invitation to registered suppliers. U.S. firms are eligible to bid. The range of manufactured goods produced locally is relatively small, so there are few instances of foreign goods competing with domestic manufactures. Companies interested in supplying office supplies to the government must register with the Financial Management Division of the Ministry of Finance (phone 876/ 929-9330). Companies interested in supplying other kinds of equipment or materials should contact: the National Water Commission (water), Jamaica Public Service Company (electricity), the Jamaica Commodity Trading Company (for the purchase of certain basic food items and fertilizer under

concessionary loan programs), the Pharmaceutical Division of the Ministry of Health and Health Corporation Limited (medicines and medical supplies), and the Ministry of Housing (for housing and construction materials).

Protecting Your Product from IPR Infringement

The Jamaican Constitution recognizes property rights. There are laws designed to protect property and which specifically address protection of intellectual property. Bilaterally, there are also agreements covering IPR protection. The United States and the Government of Jamaica have signed an Intellectual Property Rights Agreement (1994) and have concluded a Bilateral Investment Treaty (which came into force March 1997).

In June 1999, Jamaica's Senate passed three related pieces of legislation. These were the new Trade Marks Act, the Layout-Designs (Topographies) Act as well as a bill to amend the Copyright Act to extend its coverage to include databases as well as the issue of trading in encrypted transmissions.

All three have been enacted in fulfillment of Jamaica's obligations under the WTO agreement on the trade-related aspects of intellectual property rights (TRIPS), the Paris Convention for the Protection of Industrial Property, to which Jamaica is seeking to become a signatory, as well as the bilateral agreement on intellectual property between Jamaica and the United States.

The Trade Marks Act outlines the regulations governing the administration of the trade mark system and puts Jamaica in a position to meet internationally accepted standards for the protection of trade marks. It provides the owner of a registered trade mark with a property right, thereby giving him the exclusive right to exploit the mark in the course of trade. The mark may be registered in relation to goods and services and provision is made for the registration of both collective marks and certification marks. The bill provides for the protection of a registered trade mark for a period of 10 years which can be renewable for another 10 years.

The Layout-Designs Act provides protection for layout-designs embodied in integrated circuits and gives the owner of those rights the exclusive right to reproduce the layout-design, to import, sell or otherwise commercially exploit it and to authorize other persons to do so. That right is also in place for 10 years and may be transferred by the owner by assignment, by will or by legal methods. It also sets out means of legal redress for violations of the right.

The bill amending the Copyright Act seeks to make explicit the provision of copyright protection on compilations of works such as databases. The Amendment also makes it an offense for a person to manufacture or trade in decoders of encrypted transmissions. It also gives persons having rights in encrypted transmissions or in broadcasting or cable program services a right of action against persons who infringe on those rights.

Three new additional laws, covering patent and design, patenting plant varieties and geographical indications are being drafted. The government expects all to be adopted by the end of 2000, at which time, Jamaica's intellectual property legislation should be in accordance with WTO standards.

During 2000, the U.S.-based **Business Software Alliance (BSA) as well as the local Jamaica Software Developers Association (JAMSDA) started to do work to increase public awareness of the problem of the illegal copying of software. Simultaneously, the Jamaican government energized its

enforcement campaign against software pirates and the unlicensed broadcasting of channels by cable TV distributors. The government plans to expand its enforcement measures to include other areas of copyright violation as well.

Need for a Local Attorney

It is advisable to retain professional advice at an early stage of a business venture to ensure smooth start-up and compliance with local laws. The Jamaica Bar Association has a membership of over 550 attorneys. The Association is located at 78-80 Harbour St., Kingston (phone: [876] 922-2319). A list of members can be obtained from the Association.

CHAPTER V: LEADING SECTORS FOR U.S. EXPORTS AND INVESTMENT

Geographic proximity and significant trade and investment relationships have led to a close and extensive relationship between the United States and Jamaica. Over the last several years the U.S. government, through the U.S. Agency for International Development, has supported Jamaica with significant aid to strengthen the private sector and to encourage economic activities.

Jamaica is the largest market in the English-speaking Caribbean. It is indeed the largest English-speaking nation - after the United States and Canada - in the Western Hemisphere.

JAMPRO, Jamaica's investment promotions agency, routinely develops and promotes investment opportunities in Jamaica. Focus areas include Infrastructure, Mining, Tourism, Film, Music and Entertainment. Additional investment opportunities may be pursued through the National Investment Bank of Jamaica (NIBJ) and the Financial Sector Adjustment Company (FINSAC). As a result of problems in Jamaica's financial sector, FINSAC has assumed control of many assets. An important part of FINSAC's mandate is the orderly return of these assets to private hands.

Best Prospects for Non-Agricultural Goods and Services

The United States is Jamaica's primary trading partner. In 1999 total imports from the United States were about USD 1.4 billion, representing 47.8 percent of Jamaica's total imports. Some of the major import categories include petroleum, grains, machinery and transport equipment, chemicals as well as cut and formed fabric and articles of apparel. During 1999, the economy contracted for a fourth consecutive year. Continued difficulties in the financial sector plagued many projects. However, there continues to be potential for exports to Jamaica for a wide variety of raw materials, capital goods, spare parts, low-cost housing material, and other intermediate inputs for the development of hotels, agriculture, telecommunications, and manufacturing.

Proximity, quality and service have encouraged Jamaican businessmen to purchase from the U.S. The following U.S. products are in great demand and with only few exceptions face little local or third-country competition:

-- Chemicals and related products: inorganic chemicals; medicinal and pharmaceutical products; essential oils and perfume materials; toilet, polishing and cleansing preparations;

-- Machinery and transport equipment: power generating machinery and equipment; general industrial machinery and equipment;

-- Manufactured goods and raw materials: textiles; iron and steel; paper and paper products; furnishings; toys and gifts; telecommunications; sound recording and reproducing apparatus and equipment.

Despite a decline in the overall economy, Jamaica's services sector recorded 4.8% growth in 1999. Growth opportunities have emerged through the restructuring of the financial sector, developments in electricity and water, the transport and communications sectors and the hotels and restaurant sub-sector.

Best Prospects for Non-Agricultural Products

Drugs/Pharmaceuticals (DRG)

USD (OOO)	1998	1999	2000
TOTAL MARKET SIZE	73741	79497	85500
TOTAL LOCAL PRODUCTION	13000	14000	15000
TOTAL EXPORTS	3500	4000	4500
TOTAL IMPORTS	64241	69497	75000
IMPORTS FROM THE U.S. 20000	25000	30000	

(Market information is inferred from preliminary external trade figures obtained from the Statistical Institute of Jamaica. 2000 figures are estimates.)

Comments: This is a growing market. The Common External Tariff (CET) on certain categories of drugs and pharmaceuticals has been removed. In addition, the General Consumption Tax (GCT) is no longer applicable on most items. The Government of Jamaica has announced that it intends to ensure competition in this category and is also encouraging wider availability of generic drugs.

Automotive Parts and Service Equipment (APS)

USD (OOO)	1998	1999	2000
TOTAL MARKET SIZE	20900	14371	17900
TOTAL LOCAL PRODUCTION	200	200	200

TOTAL EXPORTS	300	300	300
TOTAL IMPORTS	21000	14471	18000
IMPORTS FROM THE U.S. 11200	7603	10000	

(Market information is inferred from preliminary external trade figures obtained from the Statistical Institute of Jamaica. 2000 figures are estimates.)

Comments: The automobile and auto parts market has, since the mid 1990's, been rather dynamic following the introduction of new policies surrounding the importation of motor vehicles. With the large-scale importation of used vehicles, a problem has developed with respect to availability of spare parts. Importing spare parts directly from Asia is expensive and slow. In early 1995, the government required registered used car dealers to maintain inventory consisting of at least 10 percent of spare parts. During 1999, sales of parts actually dropped significantly when compared to 1998. This may be partly explained by the existence early in the year of a surplus of imported "new" second-hand cars and consumers preferring to purchase one of those rather than to do repairs involving the purchase of auto parts.

Paper/Paperboard (PAP)

USD (OOO)	1998	1999	2000
TOTAL MARKET SIZE	83300	85981	89000
TOTAL LOCAL PRODUCTION	2000	2000	2000
TOTAL EXPORTS	8000	8000	8000
TOTAL IMPORTS	89330	91981	95000
IMPORTS FROM THE U.S. 55000	60000	65000	

(Market information is inferred from preliminary external trade figures obtained from the Statistical Institute of Jamaica. 2000 figures are estimates)

Comments: This is one of the bigger import market categories which, after a few years of negligible growth, appears to be growing again. The U.S. already has good market share in some subsections such as paper and paperboard covered with plastics, craft paper, uncoated paper and paperboard in rolls and sheets. There is strong competition from Canada in other areas such as corrugated paper and paperboard, newsprint, and paper for the printing industry. Significant quantities of toilet paper, paper towels and sanitary napkins are imported from Trinidad and Tobago.

Telecommunications Equipment (TEL)

USD (OOO)	1998	1999	2000
TOTAL MARKET SIZE	75317	80000	70000
TOTAL LOCAL PRODUCTION	0	0	0
TOTAL EXPORTS	0	0	0

TOTAL IMPORTS	75317	60317	70000
IMPORTS FROM THE U.S.	40000	40000	45000

(Market information is inferred from preliminary external trade figures obtained from the Statistical Institute of Jamaica. 2000 figures are estimates)

Comments: Following the announcement in 1999 of a new agreement with Cable and Wireless Jamaica, the long awaited new telecom bill was passed in February 2000. The new regime has already seen the facilitation of competition - through interconnection with C&W's network - of various data, internet and information services as well as the licensing of 2 new companies to provide cellular/wireless services. By the year 2002, all services in the telecom sector are expected to be open to full competition.

Computers/Peripherals (CPT)

USD (OOO)	1998	1999	2000
TOTAL MARKET SIZE	50000	60000	70000
TOTAL LOCAL PRODUCTION	0	0	
TOTAL EXPORTS	0	0	
TOTAL IMPORTS	50000	60000	70000
IMPORTS FROM THE U.S. 39000	48000	60000	

(Market information is inferred from external trade figures obtained from the Statistical Institute of Jamaica. 2000 figures are estimates)

Comments: Several factors are contributing to the growth of this sector. The market for computers and computer peripherals is heavily influenced by the growth in information and telecommunications technologies. The Jamaican Government has announced initiatives (such as a school program) which, if realized, will greatly increase the demand for computer equipment. In 1996 customs duties on computers and related items were removed altogether. In early 1999, the Jamaican government also announced that the General Consumption Tax (GCT) would be removed from computers.

Best Prospects for Agricultural Products

After a six percent increase in 1998 and a 22% increase in 1997, total imports of agricultural, fish and forestry products declined by 7 percent in 1999. The decline was due primarily to reduced imports of beverages (41%), animal and vegetable fats and oil (22%), dairy products and bird eggs (12%), cereal and cereal preparations (10%) and sugar and sugar preparations (10%). Imports of fruit and vegetables

(38%) and cork and wood manufactures (21%) were the only items showing significant growth.

Although the current economic situation has resulted in a decline of food imports. Jamaica will continue to import a significant portion of its consumption needs. Domestic agricultural production showed only a marginal 2.7% increase for calendar year 1999 and continues to be constrained by high cost of inputs, unavailability of planting materials, extreme weather conditions, poor yields and inadequate research. Climatic conditions prohibit the production of many crops. The agroprocessing industry remains fairly limited. While these conditions remain unchanged, Jamaica will continue to be a net importer of agricultural products.

Primary suppliers of food and beverages to Jamaica are the United States, Canada, Trinidad and Tobago, Guyana and New Zealand. Agricultural imports from the United States decreased by eight percent in 1999 while imports from both Canada and CARICOM increased. CARICOM imports are primarily from Trinidad and Tobago and Guyana. As CARICOM partners, imports from both countries have duty free access to the Jamaican market. Primary imports are fish and rice from Guyana and cereals and cereal preparation, nuts and margarine from Trinidad and Tobago.

The United States remained Jamaica's number one trading partner, accounting for 48 percent of agricultural imports. For 1999, imports of agricultural products (not including forestry products) accounted for 18 percent of Jamaica's total imports.

The market for consumer-ready products continues to be driven by strong demand from the upper income groups. It is estimated that annual per capita consumption expenditure for the wealthiest 10% of the population is more than 11 times greater than that for the poorest 10%. Roughly 50% of per capita expenditure is on food and beverages. Food consumption patterns have remained fairly stable with 'meals away from home' accounting for 31% of total food consumption 'meat, poultry and fish accounting for 22%, 'cereal and cereal products' 11% (1998 Survey of Living Conditions).

The hotel sector remains a vibrant market for U.S. food products. Tourist arrivals to the country were 1.2 million stopovers in 1999 with an average length of stay of 10.4 days. Although the industry is faced with intense competition from other Caribbean destinations, expansion in hotel accommodations continues. The demand for U.S. food products is heavily influenced by the 66% of stopover visitors from the United States, many of whom look for the same foods they have at home. With the growth in "all inclusive" properties the sector has become extremely cost conscious. Hotels have a strong demand for meats, special cheeses, turkeys, fresh and frozen vegetables, seafood, salad dressings, mayonnaise, wines, ducks, and other products.

The fast food sector continues to grow, but mostly through the expansion of existing franchises. This growth has supported the market for U.S. exports of items such as french fries, hamburger meat, sausage, chicken patties, cookies, frozen dough and dough blends, cakes, pies and other desserts.

Under the CARICOM Common External Tariff, import duties range from 0-20 percent. Fresh fruit and vegetables, meats and poultry continue to attract import duties as high as 86-90 percent, designed to protect local industry. A permit is required for the importation of fresh fruits and vegetables, meats, live animals, semen, planting material, honey and bees.

Effective July 2000 the GOJ "zero tolerance level" for products that do not meet the standards or labeling requirements of the Jamaica Bureau of Standards is in effect. The Bureau has developed a number of national compulsory standards. Where national standards are not available, international standards are applied. Labeling requirements have also been specified for a number of commodities in addition to the general labeling requirements specified for all commodities and prepackaged goods. For a fee, the Bureau will assess labels prior to product market introduction and advise if they are in compliance with the local requirements. The contract information for the Bureau is as follows:

The Bureau of Standards
6 Winchester Road
Kingston 10
Jamaica W.I.
Tel: 876 926 3140-5
Fax: 876 929 4736
E-Mail: jbs@cwjamaica.com

U.S. Government assistance to Jamaica for FY 2000 includes a USD 35 million GSM 102 program guarantee for purchases of corn, rice, soymeal, vegetable oils, wood products, dairy products and poultry breeder stock; a USD 5 million Supplier Credit Guarantee program to cover high value products such as fresh/canned fruits and vegetables, wine/brandy, potatoes, tree nuts and dried foods; and a USD 20 million Facility Credit Guarantee program to provide payment guarantees to facilitate the financing of manufactured goods and services to improve or establish agriculture-related facilities. A P.L. 480 concessionary credit program for rice imports is currently being negotiated.

Nuts (000 Kilograms)

	1998	1999	2000
Total market size	59	89	100
Total local production	0	0	0
Total exports	0	0	0
Total imports	59	89	100
Total imports from U.S.	42	49	75

Comments: The market for nuts is currently very small and growth is restricted primarily by high retail prices. With increased consciousness of the need to improve the quantity of nuts and grains in the diet and the purported health benefits of nuts like almonds, this is a market that should grow in the medium to long term.

Wines (000 liters)

	1998	1999	2000
Total market size	1213	1238	1300
Total local production	500	400	450
Total exports	688	293	400
Total imports	1336	1131	1250
Total imports from U.S.	542	440	550

Comments: Long term prospects for wines remain positive. Demand is driven primarily by the Hotel Restaurant Institutions sector. The U.S. continues to compete with Canada and Chile for sparkling wines and with France and Italy for other wines. Wine imports face a 30% Common External Tariff (CET), which is imposed on imports that originate outside of the Caribbean Common Market. There is also a 34% stamp duty as well as a 14.5% special consumption tax. The duties are designed primarily to protect local production. A 15 percent value added tax is also levied.

Onions (000 kilograms)

	1998	1999	2000
Total Market Size	9337	9488	9800
Total Local Production	2457	1638	1800
Total Exports	0	0	0
Total imports	6880	7840	8000
Total Imports from U.S.	3846	3154	4400

Carrots (000 kilograms)

	1998	1999	2000
Total Market Size	24115	26526	25000
Total Local Production	21605	24676	24500
Total Exports	0	0	0
Total Imports	2510	1850	2500
Total Imports from U.S.	1465	877	1650

Apples (000 kilograms)

	1998	1999	2000
Total Market Size	883	837	900
Total Local Production	0	0	0
Total Exports	0	0	0
Total Imports	883	837	900
Total Imports from U.S.	816	810	850

Comments: Total imports of fruits and vegetables continue to grow as demand at both Hotel Restaurant Institutions and retail remain strong. Many retail outlets especially larger supermarkets now have extensive produce departments carrying a wide range of imported products. Fresh produce must overcome an aggregate import duty of 86%-90%. This high duty level has not severely restricted

imports and most items are still competitively priced at retail level. Apples continue to be a popular item among Jamaicans at all income levels. Falling retail prices are resulting in more affordable product and has helped to maintain a high demand. Imports of items such as apples, carrots, tomatoes, garlic, cabbages, lettuce, melons and onions should remain fairly high into the medium to long term.

Pasta (000 kilograms)

	1998	1999	2000
Total Market Size	N/A	N/A	N/A
Total Local Production	N/A	N/A	N/A
Total Exports	15	17	18
Total Imports	747	801	850
Total Imports from U.S.	280	316	350

Comments: Imports of pasta and pasta sauces are expected to grow as this item becomes more popular among consumers. Recipes and information on different types of pasta should be included in promotional activities. U.S. imports compete with local production as well as with imports from Guatemala and Costa Rica. Information on the volume of local production is not available.

Biscuits/Crackers/Cookies (000 kilograms)

	1998	1999	2000
Total Market Size	N/A	N/A	N/A
Total Local Production	N/A	N/A	N/A
Total Exports	2017	2001	2005
Total Imports	3765	5065	5500
Total Imports from U.S.	2244	828	850

Comments: CARICOM trading partner Trinidad and Tobago continues to be the primary supplier of snack foods to Jamaica. The duty free access of CARICOM products gives exporters a clear advantage over third country producers who face a 20% duty. Lack of competitively priced U.S. product, low advertising budgets and the absence of extended credit terms make it difficult for importers to maintain U.S. supplies on the market. Barbados and Venezuela are also strong competitors in this market. NABISCO, a primary importer of biscuits/crackers/cookies, is also one of the main local producers. The other two, Jamaica Biscuit Company and National Baking Company Ltd are locally owned plants.

AGRICULTURAL IMPORTS BY MAJOR CATEGORIES (USD Millions)

	1999	1998	1997
Food and Live Animals chiefly for food	454	467	445
Beverages and Tobacco	33	57	52
Animal and Vegetable Oils, and Fats and Waxes	21	27	24
Cork and Wood Manufactures (excluding furniture)*	29	24	24

(*NOTE: USD amounts of cork and wood manufacture imports from specific countries are unavailable.)

AGRICULTURAL IMPORTS FROM THE UNITED STATES (USD Millions)

	1999	1998	1997
Food and Live Animals	218	232	219
chiefly for food			
Beverages and Tobacco	7	11	15
Animal and Vegetable Oil, Fats and Waxes	17	19	17

AGRICULTURAL IMPORTS FROM MAJOR COMPETITORS (USD Millions)(1999)

	Total U.S.A		Competitor	
Food and Live Animals	454	218	38	Canada
chiefly for food			37	Trinidad
			22	Guyana
			15	New Zealand
Beverages and Tobacco	33	7	13	Trinidad
			3	Canada
Animal and Vegetable Oils	21	17	3	Trinidad

AGRICULTURAL IMPORTS - BREAKDOWN OF MAJOR CATEGORIES (USD Millions)

	1999	1998	1997
Food and Live Animals	454	467	445
chiefly for food			
-Live animals chiefly for food	1	1	1
-Meat and Meat Preparations	62	68	63
-Dairy Products and Bird Eggs	43	49	47
-Fish, Crustaceans and Mollusks and preparations thereof	59	57	53
-Cereal and cereal preparations	117	130	124
-Vegetables and Fruit	58	42	35
-Sugar, sugar preparations for human consumption not elsewhere specified (NES)	38	42	41
-Coffee, Tea, Cocoa, Spices and manufactures thereof	9	10	9
-Feeding stuff for animals (not including unmilled cereals)	22	23	32

-Miscellaneous edible products and preparations	44	44	40
Beverages and Tobacco	32	57	52
-Beverages	26	44	39
-Tobacco and Tobacco Manufactures	7	12	13
Animal and Vegetable Oils, and Fats and Waxes	21	27	24
-Animal oils and fats	2	3	4
-Fixed vegetable oils and fats	14	20	16
-Animal and Vegetable Oils and Fats, processed, and Waxes of animal or vegetable origin	4	4	3
Cork and Wood Manufactures (excluding furniture)**	29	24	24

Source: External Trade Reports, Statistical Institute of Jamaica

* Jamaica Survey of Living Conditions 1998

**NOTE: USD amounts of cork and wood manufacture imports from specific countries are unavailable.)

CHAPTER VI: TRADE REGULATIONS AND STANDARDS

Trade Barriers

As part of the continuing process of reform of the trade regime, the government embarked upon a tariff reform program whereby the duty rates were gradually reduced from as high as 200 percent. Duties have been removed entirely from some categories. High duty rates remain in place for some items, such as motor vehicles. The Jamaica Bureau of Standards is becoming increasingly vigilant in monitoring the quality of imported items.

A decade ago the government began to implement the CARICOM Common External Tariff (CET), the first customs union in the Caribbean.

Under the CET, customs duties are prescribed on goods imported from countries outside the CARICOM region. Goods produced within the region under a Rules of Origin regime are not subject to import duties.

The CET rate structure is based on two categories - inputs (raw materials and capital goods) and final goods. Final or consumer goods are broken down into basic and non-basic goods. Furthermore, the rate structure differentiates between competing and non-competing goods. Goods are considered to be competing if the regional manufacturer has the potential to supply 75 percent of the regional market - whether this potential is realized or not. Exceptions have been made in special

circumstances where cost of living considerations or other sensitivities dictate the assessment of special rates including special low rates or even zero rates of duty. This would include basic foods, medicines, certain fertilizers and insecticides, books and some agricultural inputs. Another departure from the rate structure of the CET is the Minimum Rate Approach, which permits member states to apply rates of duty exceeding the agreed minimum rates. Some examples of commodities for which CET rates have been established as Minimum Rates are: alcoholic beverages, tobacco products, petroleum products, jewelry, watches and clocks.

In the case of a long-term or short-term incapacity by a member state to access a particular protected industrial or agricultural input within the region, the CARICOM Council or the Secretary General acting on behalf of the Council may grant a suspension of the CET rate in order for a certain member state to import the particular input from extraregional sources at a rate of duty to be determined by that member state.

Conditional duty exemptions and reductions are also provided for under the CARICOM CET. These are allowed when goods are imported in specified instances or by specified agencies. In Jamaica, exceptions to the CET may cover goods imported under the following circumstances:

- approved new investments;
- approved substantial expansion to existing investment; and
- development financing from a donor country or international institution with a view to assisting the economic development of Jamaica.

There has been a gradual reduction of the CET. The rate structure was set to be revised downward in 4 phases. In January 1999, the last phase of the CET was implemented in Jamaica when import or customs duty rates were reduced (for most items) by 5 percent to a maximum of 20 percent. In order to protect local producers, import duties on certain agricultural products (such as chicken and milk) and certain consumer goods carry higher duty rates. In addition to import duties, certain items such as beverages and tobacco, motor vehicles and some agricultural products carry an additional stamp duty and special consumption tax. Additionally, most imported items are subject to 15 percent general consumption tax (GCT).

Customs Valuation

Regulations governing the levy of import duties are contained in the Customs Act. Dutiable imports are subject to the CARICOM Common External Tariff (CET) explained above and import duties are levied on the CIF value of the goods. There have been some improvements as a result of the Government of Jamaica's efforts to streamline customs procedures. In order to facilitate the movement of goods, the government simplified documentation and clearance requirements for exporters. Computerization of the entire system has begun.

Import Licenses

Although considerable headway has been made in the area of trade liberalization, there are still several items that require an import license. These items include milk powder, refined sugar, plants and parts of plants for perfume or pharmaceutical purposes, gum-resins, vegetable saps and extracts, certain chemicals, motor vehicles and parts, arms and ammunition, and certain toys, such as water

pistols and gaming machines. The Trade Board, under the Ministry of Commerce & Technology, is responsible for granting licenses.

Export Controls

Certain items are subject to export licensing. These include ammunition, crocodiles, crocodile eggs, eggs, antique furniture, gold bullion and fully or semi-manufactured gold, minerals and metals including bauxite, alumina, gypsum, antique paintings, pimento, sugar, plasma, lignum vitae and log wood, petroleum products, motor vehicles (including bodies and auto parts) as well as live animals and shells subject to the convention of International Trade for endangered species administered by National Resources Conservation Authority (NRCA) in Jamaica.

Import/Export Documentation

If an item requires a license, one must be obtained from the Trade Board before effecting the sale. The documents required for the importation of goods are: a supplier invoice, certificate of origin, bill of lading, airway bill and other shipping documents, a declaration of value and an import license, if necessary. (Certain products may also require phytosanitary certification.) Upon arrival of the goods in Jamaica, the documents are submitted to the Customs authorities. Relevant duties must be paid before the goods may be cleared into the country. The importer may also be required to present a tax compliance certificate for the importer, a Business Enterprise Number (BENO) and a Taxpayer Registration Number (TRN).

Temporary Entry

Importers may obtain authorization for temporary admission for a period of three or four months. To claim temporary admission of merchandise, regular import documentation and the C25 Form with customs authorization must be presented by the importer upon the arrival of the merchandise. In addition, the importer is required to deposit or place in bond either full or one and a half times the applicable duty, which is refunded on exit of the merchandise.

Labeling, Marketing Requirements

The Jamaican Bureau of Standards administers the Standards Act, Processed Food Act and Weights and Measures Act. Products imported into Jamaica must meet the requirements of these Acts and it is the responsibility of the importer and distributor to ensure that goods sold in Jamaica are properly labeled as required by the labeling standards. Each package of pre-packaged goods should be labeled in English and should include the proper name of the product, an accurate declaration of the contents, an accurate description of the ingredients, a datemark or date of minimum durability as well as the name and identifiable business address of the processor, manufacturer, packer, importer or distributor and the country of origin. The Jamaica Bureau of Standards has in the past taken steps to ban the sale of goods which had been improperly labeled. A full description of labeling requirements is to be found in Labeling Standards JS1 Parts 1 to 29.

Prohibited Imports

Jamaica prohibits the import of the following items:

- gambling machines known as "one arm bandits" or slot machines
- dogs for racing;
- dog racing equipment;
- tablets containing a combination of methaqualone and diphenhydramine hydrochloride;
- certain brands of crayons from China and Thailand;
- all items banned under the Customs Act and the Plants Protection from Disease Act;
- all goods prohibited entry into the United Kingdom under the Anthrax Prevention Act 1919;
- animals and carcasses of animals prohibited under the Animals Diseases and Importation Act;
- arms and ammunition, except with the permission of the Commissioner;
- brandy of a lower strength than 30 degrees per centum under proof, unless it is proved that it has been matured for a period not less than ten years;
- base or counterfeit imitation coin of any country;
- coin, silver, or any money not of the established standard in weight and fineness;
- opium and dangerous drugs;
- essence of brandy or whisky or flavoring essences except as approved by the Minister;
- indecent or obscene prints, paintings, photographs, books, films, etc.;
- oil of gin or cognac, except as approved by the Minister;
- rum coloring solutions;
- spirits and wine, unless specifically imported with casks or other vessels of at least nine gallons content or in glass or stone bottles with each case containing not less than one gallon;
- fictitious stamps and instruments; and
- sugar, except under license.

Standards

There are many mandatory standards to which products must conform before they can be exported to Jamaica. Copies of these can be purchased from the Jamaican Bureau of Standards. Jamaica generally follows U.S. standards in most cases. In recent years, the Bureau has become increasingly vigilant in terms of monitoring the quality of products sold on the local market. The quarantine division inspects and determines standards in the case of live animals. Meat imports may be inspected by the Ministry of Health. In 1995, the Jamaican parliament passed an amendment to the Weights and Measures Act aimed at enforcing compliance with the metric system of measurement. Imported goods should conform to the metric system.

Free Trade Zones/Warehouses

Under the Jamaican Free Zones Act, investors are allowed to operate solely with foreign exchange in activities such as warehousing and storing, manufacturing, redistribution, processing, refining, assembling, packaging, and service operations such as insurance, banking, information processing, and professional services.

FTZ incentives include a 100 percent tax holiday in perpetuity, no import licensing requirements, and exemption from customs duties on capital goods, raw materials, construction materials, and office equipment. Free zone companies are allowed to sell about 15 percent of their annual production in the local market. However, they are required to send their request through the Free Zone Administration for approval.

Jamaica has three active industrial park/free trade zones: the Kingston Export Free Zone, the Montego Bay Export Free Zone and Garmex. These free zones are government-owned and -managed.

Kingston Free Zone has a total of 784,464 sq. ft. of factory space. Factory space is made available in modules of 6,000 sq. ft. including services (security, external lighting, maintenance of common areas, and garbage collection and disposal). There are currently 15 companies operating there, 4 of which are involved in non-Free Zone activities.

Montego Bay Free Zone has a total of approximately 488,000 sq. ft. of office and factory space which as of mid 2000 was completely filled. An additional 40,000 square feet is under construction and plans are being made to add an additional 60,000 square feet.

Garmex Free Zone has a total building area of 520,087 sq. ft. Total space available for rent is 333,800 sq. ft. The average size of the factory ranges from 8,000 - 42,000 sq. ft. There are three garment companies currently operating in the free zone.

The government may also accord Free Zone status to a company not located in any of the existing Free Zones. Hence, individual companies satisfying certain criteria are able to apply either to the Kingston Free Zone or the Montego Bay Free Zone for single-entity free zone status.

Special Import Provisions

Samples of commercial value brought into the country are dutiable at normal rates. However, the importer is entitled to reimbursement when taking the sample back or out of the country. This is effected on completion of a Revenue Deposit Receipt (RDR form) at customs at the point of entry.

Membership in Free Trade Arrangements

Preferential Tariff Arrangements: Jamaica has enjoyed preferential tariff arrangements with the United States under the Caribbean Basin Economic Recovery Act or Caribbean Basin Initiative (CBI), with the countries of the European Union under the Lome Convention (succeeded by the Cotonou Agreement), with Canada under CARIBCAN, and with other English-speaking Caribbean states under CARICOM.

CBI has provided customs duty-free entry to the United States to qualifying products of Jamaican origin (except textiles, footwear, handbags, luggage, work gloves, leather apparel, tuna fish, petroleum and petroleum products, and watches and watch parts from countries that do not enjoy Most Favored Nation status). An amendment was made to CBI provisions in 1990 (CBI II) allowing duty reduction on certain leather-related products, including handbags, luggage, flat goods, work gloves, and wearing apparel. To meet CBI eligibility standards, products must contain 35 percent value added in Jamaica, of which U.S. materials must comprise 15 percent of the value of the finished product. Articles assembled in Jamaica from 100 percent U.S. components are also given duty-free treatment (with certain exceptions including textiles/apparel for which the U.S. duty is levied only on the value-added in Jamaica).

In May 2000, the U.S. Senate passed the Caribbean Basin Trade Partnership Act (part of the Trade and Development Act of 2000). The aim of this Act is an expansion of the benefits provided under the CBI. In effect, it will restore the margin of preferences CBI countries enjoyed prior to the implementation of the North American Free Trade Agreement (NAFTA) as well as improve the range of economic opportunities available to the countries.

Jamaica has signed a Tax Information Exchange Agreement (TIEA) with the United States. U.S. taxpayers are allowed to deduct legitimate business expenses incurred in attending business meetings and conventions in Jamaica.

Goods of Jamaican origin or those partially produced from extra-regional materials and sufficiently transformed in Jamaica can enter CARICOM markets duty-free. Efforts are being made to boost trade within the region through integration and regional cooperation.

Jamaica exports certain items duty-free to Canada under CARIBCAN. Eligible items must meet a national-origin standard of 60 percent of the factory price originating in Jamaica, Commonwealth Caribbean countries, or Canada. Textiles, garments, lubricating oils, clothing, footwear, luggage, handbags, and leather garments are excluded from CARIBCAN. Processed and fresh vegetables comprise most of the trade under CARIBCAN. Alumina, representing approximately 80 percent of all exports to Canada, was already admitted duty-free prior to the establishment of CARIBCAN.

Jamaican exports also benefit from either zero or reduced-duty treatment of several products sent to the European Union under the EU-ACP partnership (Cotonou) Agreement. The system is not a simple one, as there are special arrangements for certain agricultural products, and the required value-added component varies depending on the type of product. In addition, in 1997, as a result of a challenge by several countries, including the U.S., the WTO ruled that certain aspects of the EU's preferential agreement for bananas are inconsistent with WTO standards and must be addressed. Consultations on making the banana trade WTO-consistent are still underway, and efforts are being made by private-sector and government representatives to ensure the future of the banana trade.

CHAPTER VII: INVESTMENT CLIMATE

Openness to Foreign Investment

The government of Jamaica welcomes indeed encourages foreign investment. There are no policies or regulations that reserve areas exclusively to Jamaicans. The GOJ has begun privatizing assets

acquired over the last three years by the Financial Sector Adjustment Company (FINSAC), a government entity that acquired insolvent banks and insurance companies and their assets. In addition, the National Investment Bank of Jamaica also continues to divest some government owned enterprises. While foreigners are not excluded from participation in privatization/divestment activities, sales of these assets are usually to regional investors.

Each investment proposal is assessed on its own merit. However, investments in areas which may increase productive output, use domestic raw materials, earn or save foreign exchange, develop linkage industries, generate employment, or introduce new technology are greatly favored. Investment in new ventures has been modest over the last three years despite the Government's continued commitment to open the economy, increase reliance on the private sector, divest most of the government-owned enterprises and offer attractive incentive package.

In communications, Cable and Wireless of Jamaica Limited (formerly Telecommunications of Jamaica (TOJ)), a subsidiary of the British firm Cable and Wireless, enjoys monopoly rights on telephone and related services. In compliance with WTO obligations, the system is being demonopolized over a three-year period. The sector is scheduled to be open to full competition by April 2003. Licenses are granted to radio and television broadcasters that are incorporated in Jamaica and in which majority ownership/controlling interest is held by CARICOM nationals. The government is now seriously considering full foreign ownership. The Embassy is not aware of any economic or industrial policy that has discriminatory effects on foreign-owned investments.

There are no screening mechanisms for investments. However, environmental impact assessments are required for new developments. Foreign and domestic investors are treated equally both before and after the investment is made. Businesses operating in Jamaica (both local and foreign), are required to adhere to a regulatory framework that promotes better quality goods, practices and processes.

Other than UK style anti-competition laws (e.g., anti-trust), there are no barriers to foreign investment with regard to acquisitions and mergers. Where negotiations, mergers and takeovers are concerned, the Companies Act and rules of the Jamaica Stock Exchange (JSE) (if the entity is listed) would apply. April 1996 amendments to the Securities Act remedied several weaknesses in the old Act and streamlined the law to make it more consistent with other securities regulations worldwide. The amendments address the licensing of dealers and investment advisers and registration of their representatives under the Act. Further details can be obtained from the JSE's web site: www.jamstockex.com.

The takeover code was designed to ensure the integrity of the market while protecting minority shareholders. Currently, the JSE's clearance and settlement procedures are based on T+5 in contrast to the international standard of T+3. However, it should be noted that a Central Securities Depository was established in June 1998. Automated trading started in January 2000. The JSE has a formal relationship with the Committee of Uniformed Securities Identification (CUSIP) Services Bureau and acquires assigned International Securities Identification Numbers for Jamaican securities.

Under the Jamaica Companies Act, investors are generally required either to establish a local company, or to register a branch office of a foreign-owned enterprise. Branches of companies incorporated abroad must register with the Registrar of Companies within a month of their

establishment in Jamaica. Applications for incentive benefits must be made to JAMPRO, the Jamaican government agency responsible for promoting and processing investment proposals.

Conversion and Transfer Policies

There are no restrictions on holding funds or hard currency or transferring funds associated with an investment. However, the buying and selling of foreign currency must be conducted through an authorized dealer (bank or cambio). While foreign exchange is freely available, there is generally a waiting period of one to two weeks, depending upon the amount, due to excess demand. Some recently surveyed U.S. companies indicated that cambios can facilitate access to foreign exchange, sometimes reducing the waiting period to less than a week. During the winter tourist season (December to April) the inflow of foreign exchange (and hence its availability) is generally greater than during the rest of the year.

There is no limitation on the inflow or outflow of funds for any transaction, including remittances of profits, debt service, capital repatriation, capital gains, returns on intellectual property, or imported inputs.

Expropriation and Compensation

Property rights are protected under Section 18 of the Jamaican Constitution, which permits expropriations only for public purposes. According to the law, the purpose of any expropriation must be transparent and compensation for expropriated property must be adequate. If informal negotiation on compensation fails, the investor has recourse to the courts. The Embassy is not aware of any litigation between the Jamaican government and any private individual or company based on expropriation or on compensation for expropriation.

Dispute Settlement

The Embassy is not aware of any major investment dispute involving the Jamaican government since 1990. Disputes between enterprises are generally handled in local courts. Arbitration of investment disputes between Jamaica and nonresident investors may be referred to the International Center for Settlement of Investment Disputes, of which Jamaica is a member. Awards by the International Center are enforceable in the Jamaican courts.

Performance Requirements/Incentives

There are no specific performance requirements imposed as a condition for investing in Jamaica. However, investments that attract hard currency and expand employment opportunities are favorably considered. The Government of Jamaica offers a wide variety of fiscal and non-fiscal incentives in order to attract investments that may develop industry, save/earn foreign exchange, and provide employment. The principal fiscal incentive laws are:

(a) The Export Industry Encouragement Act (EIEA): An approved company that manufactures products exclusively for export to non-CARICOM member countries is entitled to benefits which include exemption from income and dividend taxes for up to ten years, and exemption from import duties on raw material and machinery during the incentive period. Since 1990, service industries

have also been included for incentives. In April 1996, the EIEA was amended to allow participation by establishments which do not export 100 percent of their output. However, in accordance with the WTO Agreement on Subsidies and Countervailing Measures (SCM), the incentives offered under the EIEA will be phased out before 2003.

(b) The Hotel Incentives Act (HIA): The owner, tenant, or operator of an approved hotel enterprise is entitled to income and dividend tax relief for up to 10 years. The owner may also receive an exemption from import duties for constructing or expanding hotels. To be eligible for benefits, hotels must have at least 10 rooms and facilities for other activities. Income tax relief is granted for 15 years to hotels which meet certain qualifications. Among them, they must have 10 to 350 bedrooms, facilities for holding conferences, be operated by a qualified general manager and maintain adequate security.

(c) The Resort Cottages Incentives Act (RCIA): This Act allows for income and dividend tax relief and duty-free importation of articles required to construct and equip resort cottages for a period of up to seven years.

(d) The Motion Picture Industry Encouragement Law: An approved motion picture producer benefits from duty relief on imported goods and equipment for use in motion picture production and income tax exemption from the date of the first release or exhibition of each motion picture produced in Jamaica for a period of nine years. The incentives are granted for six-month intervals and are renewable. In addition, a producer is granted an investment tax deduction of 70 percent of the capital expenditure incurred in acquiring facilities either in the year in which the cost is incurred or in any subsequent year at the option of the producer.

(e) Approved farmer status under the Income Tax Act: Any certified person or company engaged in growing food or seed crops, trees for timber, tobacco, horticulture, fish farming, and animal husbandry is eligible for income tax relief for up to 10 years (renewable). Approved farmers are granted a reduced duty rate of 20 percent on farm vehicles, and concessionary duty rates on tractors.

(f) The Factory Construction Law: Companies that construct factories and lease them to approved manufacturers operating under the EIEA may be provided relief from import duties (for items that are not locally available) and from income tax on income from factory leasing or gains made on sales.

(g) The International Finance Company Act: To be eligible for benefits under the Act, the finance company must be a corporate entity conducting business solely with foreigners. There is an exception with relation to domestic (Jamaican) operations, however, in such instances, at least 95 percent of loan capital must be held by nonresidents. Profits of an approved corporate body are taxed at a rate of only 2.5 percent.

(h) The Shipping Incentives Act: Under this Act, approved shipping corporations are granted import duty and income tax concessions for a period of ten years.

(i) The Foreign Sales Corporation Act: This Act provides exemption from income tax for 5 years for qualified income arising from foreign trade transactions. This Jamaican incentive is reinforced by U.S. law through the Tax Information Exchange Agreement (TIEA).

(j) The Industry Modernization Program: This program was instituted to assist manufacturing firms in adopting productivity-oriented techniques. It provides exemptions from general consumption duty on capital goods acquired for the modernization program.

(k) Moratorium on Duties: The Minister of Finance may award a moratorium on import duties on capital items for up to three years to companies which do not qualify under existing incentives legislation and have the potential to contribute significantly to foreign exchange earnings.

(l) Urban Renewal Act: The Act is targeted at persons or organizations who carry out urban development in depressed areas. Relief from income tax, stamp duty and transfer tax is provided for persons who purchase bonds issued for the purpose of urban development.

(m) Accelerated Depreciation/Special Capital Allowance: A certified business is allowed to deduct 50 percent of the full cost of any new machinery in the year of purchase and a further 50 percent in the following year.

(n) Non-fiscal Incentives: Several organizations have been established in Jamaica to promote industrial development. The Development Bank of Jamaica, and the National Export-Import Bank provide different types of concessionary financing to investment projects. Investment projects engaged in exports receive favorable loan financing consideration. The national EXIM Bank provides reduced interest rate loans for trade financing activities.

Interest rates offered by the Development Bank are linked to the weighted average passbook savings rate, which provides lower lending rates to the productive sectors. The Government established a debt restructuring program through the National Investment Bank of Jamaica (NIBJ) to provide financing of up to 50 percent of the debt to be restructured. However, there are certain qualifying criteria for companies applying for such assistance.

Right to Private Ownership and Establishment

Both foreign and domestic private entities have the right to establish and own business enterprises and to engage in all forms of remunerative activity. Private entities are free to establish, acquire and dispose of interest in business enterprises. All companies are required to register with the Registrar of Companies.

Public and private enterprises have equal access to markets, credit, and other business operations, such as licenses and supplies. However, according to recent legislation on the operation of broadcasting media, licenses are granted to companies incorporated in Jamaica and in which CARICOM nationals are majority owners or hold the controlling interest. According to the Broadcasting Commission, the government is actively reviewing current restrictions on full foreign ownership of broadcasting media.

Protection of Property Rights

The constitution guarantees property rights. National laws protect and facilitate the acquisition and disposition of all types of property, including intellectual property. Jamaica is a member of the World Intellectual Property Organization (WIPO) and is a signatory of the international Bern Convention (literary and artistic works). Jamaica and the United States have both an Intellectual

Property Rights Agreement and a Bilateral Investment Treaty which provide assurances to protect intellectual property.

As a signatory to the WTO Trade Related Aspects of Intellectual Property (“TRIPs”) Agreement, Jamaica is taking steps to update its laws in conformity with its obligations. However, intellectual property rights protection already exists in most areas, e.g., patents, trademarks and copyrights. A variety of remedies are available to protect intellectual property.

Patents: A revised patent and industrial designs law, that is currently under discussion, takes into account Jamaica’s TRIP obligations. The revised law is expected to be adopted by the end of 2000.

Copyrights: The Copyright Act of 1993 adheres to the principles of the Bern Convention, and covers a wide range of works, including books, music, broadcasts, computer programs, and databases. Parliament amended the Act in June 1999. The amendments seek to make explicit the provision of copyright protection on compilation of works such as databases and to make it an offense for a person to manufacture or trade in decoders of encrypted transmissions. It also gives persons having rights in encrypted transmissions or in broadcasting or cable program services a right of action against persons who infringe their rights. The Jamaican government recently began a serious crackdown against reportedly wide-spread computer-software piracy and the unauthorized broadcast of channels by local cable television distributors.

Trademarks: The Jamaican parliament passed a new trademark law in June 1999. This Trademark Act brings the legal protection of trademarks in Jamaica up internationally accepted standards. The Act provides the owner of a registered trademark with exclusive rights for up to ten years (renewable for another ten years). It provides for the protection of “well known” marks under the Paris Convention. Infringement may be punished by a maximum fine of JDOLS one million and/or 12 months imprisonment.

Layout Design: Parliament also passed a Layout Designs Act in June 1999. This Act provides protection for layout-designs for integrated circuits and gives the owner the exclusive right to reproduce, import, sell or otherwise commercially exploit the layout-design and to authorize other persons to do so. That right is also in place for 10 years and may be transferred by the owner.

Transparency of the Regulatory System

The Fair Competition Act deals with consumer protection, misleading advertisements, price-fixing, collusion, unfair trading practices and interlocking directorships.

There are tax, labor, health and safety, and other laws and policies to avoid distortions or impediments to the efficient mobilization and allocation of investment. The government recently passed anti-dumping legislation and is considering safeguards legislation.

The government has established the Office of Utilities Regulations (OUR) to act as an independent regulator of the country's telecommunications, electricity, transport and water utilities. By placing the approval of rate increases and the issuing of licenses to operators under the control of an independent body rather than a minister, the government believes it is meeting its obligations under the WTO.

A cumbersome bureaucracy has been identified as a major disincentive to investment in Jamaica. The approval process may involve 45 ministries and agencies and includes 30 approvals for most investment projects. The government has committed itself to cutting the approval time in half, however, the investment approval process can take anywhere from 18 months for large mining and greenfield projects to three months for Free-Zone projects.

Efficient capital markets and portfolio investment

Foreigners are allowed to borrow freely on the local market from a variety of credit instruments at market rates. The regulatory and accounting systems are consistent with international norms.

Political and Other Violence

There have been no recent incidents involving politically-motivated damage to projects and/or installations. Crime poses a greater threat to damage foreign investments than do politically motivated activities. Jamaica did, however, experience three days of island-wide rioting in April 1999 when the government raised taxes on petroleum products. During the disturbances, some business places were vandalized and many shut down temporarily.

Violent crime, rooted in poverty, unemployment and drug trafficking, is a serious problem in Jamaica, particularly in Kingston. Sporadic gang violence and shootings are concentrated in certain neighborhoods, but can occur in other areas.

Corruption

Jamaica is a signatory of the OECD convention on combating bribery. The government has proposed anti-corruption legislation under which public servants can be imprisoned for up to ten years and fined as much as J\$10 million. The legislation would cover people working in central and local government and in statutory agencies and government companies who meet a yet-to-be-determined salary threshold. Under the proposed bill, Jamaican individuals and companies will be liable if they bribe foreign public officials and can be prosecuted and tried as if the act had been committed in Jamaica. The bill also contains provisions for the extradition of Jamaican citizens for crimes of corruption.

Bilateral Investment Agreements

Jamaica has investment treaties with nine countries: the United States (Feb. 1994, which came into force in March 1997), Argentina (Feb. 1994), France (Jan. 1993), Italy (Sept. 1993), Germany (Sept. 1992), Netherlands (Apr. 1991), Switzerland (Dec. 1990), the United Kingdom (Jan. 1987), China (1998), Cuba (May 1997), Egypt (Feb. 1999), Indonesia (Feb. 1999) and Zimbabwe (Feb. 1999) and is presently negotiating bilateral investment agreements with five other nations: South Korea, Costa Rica, Belgium, Russia and Canada.

OPIC and Other Investment Insurance Programs

The Overseas Private Investment Corporation has insured a variety of manufacturing, services, telecommunications and hospitality industry projects in Jamaica. OPIC insurance of investment projects is subject to a USD 200 million cap. In 1999, OPIC disbursed a total of USD 60 million in insurance coverage for seven projects.

OPIC has identified the infrastructure, housing agriculture, and energy as area's where OPIC's programs can have a significant impact. Identified projects must withstand Citibank's careful screening and OPIC's scrutiny in assuring compliance with such standards as environmental protection, labor rights and protection of jobs in the United States. OPIC loans can range from USD 500,000 to USD 40 million.

Labor

Jamaica has an estimated labor force of 1,120,000 in 1999, a number that continues to decline. Of this total, 15.7 percent are officially unemployed. According to official reports, the labor force decline is due partly to an aging labor force, and the withdrawal of workers under 25 years old from the labor pool to participate in training and vocational programs. Jamaica's unemployment remains heavily concentrated among women and youth. Labor is generally available at a relatively low cost. However, there is a shortage of technically-skilled labor. Although the general-education system (including vocational education) has improved local job placement in most sectors, managers are almost exclusively educated overseas. Older, more skilled workers are retiring and being replaced by younger, less skilled workers. Brain drain is a major concern for the future of Jamaican labor.

Jamaica has an active trade union movement with membership equal to an estimated 15-20 percent of the employed work force. The Government of Jamaica adheres to ILO conventions. In August 1999, the minimum wage for a 40-hour work week was increased from JDOLS 800 to JDOLS 1,200.

The government is successfully controlling inflation. It has remained under ten percent for four consecutive years. Lower inflation combined with the loss of thousands of jobs since 1996 in several sectors contained the level of negotiated wage increases. The GOJ reportedly plans to lay off several hundred civil servants as part of its public-sector reform program.

Investors regard Jamaica's proximity to the United States and its English-speaking labor force as advantages. According to a recent 'Investor Attitude Study' prepared by U.S. Department of Commerce, most U.S. investors reported little difficulty in finding qualified workers. The recession of the late 1990's created a surplus labor pool for manufacturing and service industries. Jamaica is no longer considered a low cost a labor.

The agricultural sector employs approximately 21 percent of the labor force. Sugar, bananas and coffee comprise the major traditional export agro-industries. Despite strong resistance from organized labor, the increasing average age of sugar workers is sparking concerns that producers will be forced to mechanize harvesting operations over the next four to five years. Other agricultural workers (principally banana and citrus) are in many cases small farmers.

The work force of the bauxite industry (which accounts for most mining activity on the island) is among the best-trained and best-compensated in Jamaica. The industry has had an admirable health and safety record. However, the competitiveness of Jamaica's bauxite/alumina industry has been

eroded in recent years by countries whose industries are more modern and have greater economies of scale. Currently, through cost-cutting measures, efforts are being made to restructure the industry. In May 1998, an understanding was reached by government, the bauxite companies and the trade unions to create a mutually beneficial basis for developing the sector and enhancing its competitiveness.

Garment assembly/export, which once provided employment for thousands of workers, usually single, unskilled female heads of household, has declined drastically due to the closure of firms.

The tourist industry, which encompasses large resorts, medium and small hotels, and private villas, offers workers access to foreign exchange wages in the form of tips. Competition for positions at the top establishments is fierce. A false perception exists that the Jamaican hospitality worker is not trained to the same standard of customer service as his or her counterpart in many other resort locations around the Caribbean.

Foreign Trade Zones/Free Ports

Under the Jamaican Free Zones Act, investors are allowed to operate solely with foreign exchange in certain activities such as warehousing and storing, manufacturing, redistribution, processing, refining, assembling, packaging, and service operations such as insurance, banking, and professional services. Incentives offered include a 100-percent tax holiday in perpetuity, no import licensing requirements, and exemption from customs duties on capital goods, raw materials, construction materials, and office equipment. Manufacturing companies operating in the free zone are allowed to sell 15 percent of their production on the local market with the approval of the Minister of Industry, Commerce and Technology.

Amendments have been made to the Jamaica Export Free Zone Act to allow for the establishment of Single Entity Free Zones. The Kingston Free Zone is now actively developing a program of expansion and diversification which involves the development of an Informatics Park in Portmore (southwest of Kingston) focusing on information technology. Interested establishments should contact:

Ms. Andrea Phillips, Operations Manager, or Mrs. Karla Huie Client Service Manager, Kingston Free Zone, 27 Shannon Drive, Kingston 15, Tel: (876)923-5274; Fax: (876)923-6023.

Email: kfzclsvc@infochan.com

Web site: www.investjamaica.com/freezone

Capital Outflow Policy

There are no restrictions on capital outflow. Jamaican financial service agencies have opened branches/subsidiaries throughout the Caribbean region and in North America and Europe. Financial institutions, insurance companies, etc., have to obtain prior approval from either the Bank of Jamaica or the Superintendent of Insurance before opening branches overseas.

Foreign Direct Investment Statistics

INVESTMENT STATISTICS

According to United Nations World Investment Report (1997,1998 and 1999), net foreign direct investment in Jamaica for the period January 1996 - December 1998 amounted to about USD 737 million. According to the Bank of Jamaica, direct investments for the period Jan-August 1999, amounted to USD 165 million. Of the total foreign capital investments

30.4 percent in agriculture/manufacturing;
 24.8 percent in Mining;
 24.3 percent in Tourism;
 16.3 percent in Minerals; and
 4.2 percent in Information Technology .

In addition to the above investments by sector, USD 170.1 million was invested during the first eight months of 1999 in the form of retained earnings, divestment, portfolio investments and other.

The following table provides available data on the approximate value of major foreign investment by country of origin promoted by JAMPRO (the Jamaica Promotions Corporation), during the period CY 1996 - 1999:

COUNTRY	YEAR	CAPITAL INVESTMENT JDOLS MILLIONS
Australia	1997	0.175
	1998	0.167
	1999	0.220
	2000	
Austria	1996	3.465
	1997	0.033
Belgium	1999	1.000
Barbados	1997	0.540
Canada	1996	8.664
	1997	265.733
	1998	111.943
	1999	7.276
Cayman Island	1998	44.735
	1999	78.200
China	1997	7.575
Colombia	1998	193.578
Denmark	1999	0.730
France	1996	6.338
	1997	3.550

	1998	0.367
	1999	0.912
Germany	1996	13.099
	1997	2.748
	1998	1.005
	1999	7.702
Hong Kong	1996	56.875
	1997	2.748
	1998	75.240
Hungary	1996	0.468
Italy	1997	0.660
	1998	18.071
	1999	0.400
Japan	1996	0.834
	1997	4.728
	1998	3.631
Korea	1996	10.000
Mexico	1996	0.195
Netherlands	1996	0.117
	1999	0.183
Spain	1996	7.000
South Africa	1998	0.947
	1999	0.365
Trinidad	1996	3.900
U.K.	1996	18.172
	1997	2.990
	1998	36.975
	1999	29.867
U.S.	1996	199.629
	1997	390.329
	1998	1,099.353
	1999	849.635

(Note: Ex. Rate USD 1.00 = JDOLS 37.02 (1996)

JDOLS 35.58 (1997)

JDOLS 36.68 (1998)

JDOLS 39.33 (1999)

There is no reliable source of information on FDI stock in Jamaica. Based on the estimates of investment promoted by JAMPRO, FDI inflows in 1999 amounted to 0.4 percent of GDP. (It should be noted that JAMPRO's information does not capture all new investments.)

Jamaica has a record of partnership with various foreign investors in the development of a wide range of productive industries. Among the major US investors (as provided by JAMPRO) are:

Accounting

Coopers & Lybrand
Deloitte, Touche, Tohmatsu Int'l
KPMG Peat, Marwick, Mitchell
Price Waterhouse

Advertising

Foote, Cone & Belding
International Advertising Services
Interpublic Group of Companies
McCann Erickson

Agribusiness and Beverages

Bobs Candies, Inc.
General Cigar and Tobacco Company
Nabisco Brands, Inc.
Pillsbury Company
Savoy Brands Int'l
Sequoia Orange
Taylor Cross Int'l

Banking & Finance

Citibank N.A.
Turan Corporation

Chemicals/Pharmaceuticals

Bristol Myers
Diversey-Wyandotte Corp.
Fabcon International
International Salt Co.
Liquid Carbonics

Mitco Water Labs Inc.
Sherwin-Williams Co.
Sterling Drug Int'l Ltd.
W. R. Grace and Co.

Computers and Data Processing

American Systematics Inc.
Apparamation Inc.
Apple Vacations
CSC Geographic Tech
IBM World Trade Corp.
International Computer Service
National Processing Corporation
Promotion Fulfillment Corp.
Xerox Corporation

Consumer Products

Bristol Myers Squibb Co.
F. W. Woolworth
Johnson & Johnson Int'l
Gillette Co.

Insurance

American Life Insurance Co.
CIGNA Worldwide Insurance
G.A.B. Business Services

Manufacturing and Assembly

3-M Inter America
Apparel Contractors Assoc. Inc.
Bike Athletic Co. Ltd.
CIA Inc.
Caddy Bag Co. Ltd.
Capital Mercury Shirt Corp.
Chantex Trading Co.
Chester House Tassle
Custom Marble Design
D.D. Bean & Sons Co.
Econ Industries Inc.
Gitano, Inc.
HH Cutler Co.
Hanover Manufacturing
Heavenly Intimate, Inc.
Hofman and Leavy Inc.

Jockey International, Inc.
 Johnson & Johnson
 Kohab America
 Ledghill International
 Lon Negrin and Sons
 PBS Ltd.
 Sara Lee
 Singer Company
 Sweitzer and Associates
 Tultex, Inc.
 Williamson-Dickie Mfg. Co.

Mining & Energy

*Aluminium Co. of America (ALCOA)
 Enron
 ESSO Caribbean & Central America
 Jamaica Private Power
 Kaiser Aluminium & Chemical Corp.
 Liquid Carbonics Int'l
 Texaco, Inc.
 Tropicana Energy, Inc.
 Wartsila

(*NOTE: Since 1988, the local subsidiary has been owned in equal partnership with the government of Jamaica and is known as "JAMALCO".)
 Telecommunications

AT&T International

Tourism and Hospitality Industry

Hertz International
 Hilton Hotels
 Holiday Inn
 Kenny Rogers Roasters Chicken
 Kentucky Fried Chicken
 McDonald's
 Pizza Hut
 Popeye's Chicken
 Ramada International
 Renaissance International
 Rollins Leasing Co.
 Shakey's Pizza
 Subway
 TCBY Yogurt
 Wendys
 Wyndham Hotel & Resorts

Taco Bell

CHAPTER VIII. TRADE AND PROJECT FINANCING

The Banking System

During the 1998-99 financial-sector crisis, the banking industry shrank considerably. There are currently six commercial banks; fourteen merchant banks, finance and trust companies; five building societies (which handle most home mortgages); two development banks; 62 credit unions and eight life insurance companies. Some of the insurance companies hold interests in major banks, frequently as part of a financial group. The financial sector accounts for about 13 percent of GDP. The private sector can also access credit from the National Export/Import (Ex-Im) Bank, a subsidiary of the Bank of Jamaica (the central bank). Foreign investors can utilize the loan facilities of banks for investments in Jamaica on the same basis and terms as Jamaican investors.

At year-end 1999, total assets of the country's commercial banks were JDOLS 195 billion (about USD 4.96 billion); and of merchant banks, finance and trust companies JDOLS 11.3 billion (USD 287.3 million).

FINSAC

In January 1997, facing a sector-wide disaster, the government established a temporary agency, the Financial Sector Adjustment Company (FINSAC), for a term of seven years. FINSAC serves as the executive arm of the Minister of Finance and Planning to supervise the recovery and restructuring of failing financial institutions. It also coordinates interventions of various agencies (specifically the Bank of Jamaica and the Superintendent of Insurance). FINSAC is responsible for addressing the weakness in financial management and strengthening the supervision of the sector.

Financing of FINSAC is generally done in the form of government-backed guarantees. Assuming the successful resolution of recovery/ restructuring problems, FINSAC expects to complete its work and shut down by the end of 2001.

New Legal Controls

Since 1997 there have been amendments to laws governing the financial sector. Some of the provisions include:

- more efficient and effective powers for the supervisory authorities, particularly with distressed institutions;
- restrictions on institutions ability to lend to, or invest in, related entities;
- more stringent computation of capital adequacy;
- more precise definition of non-performing loans;
- more power for the supervisory authorities to prescribe accounting rules; and
- greater control by supervisory authorities over changes of ownership.

The Deposit Insurance Act was passed on March 27, 1998, to establish a system for the protection of depositors through the Jamaica Deposit Insurance Corporation. This new institution will manage the system for insurance of deposits against risk of loss. It will be funded by contributions from

insured banking institutions. In the event an insured institution becomes insolvent, payment of an insured deposit liability of a maximum of JDOLS 200,000 per account will be made.

Foreign Exchange Controls Affecting Trading

Residents and nonresidents of Jamaica can access foreign exchange through a network of authorized dealers. There are no foreign exchange controls.

General Financing Availability

There is no restriction on the free flow of financial resources to support product and input markets. For the period 1996 – 1998 the government used tight monetary measures to reduce the demand for foreign exchange through issues of treasury bills with high interest rate. This reduced private sector access to credit. However, the government has responded by lowering the cash reserve ratio, restructuring the financial sector, expanding the development banks' program of concessionary rate lending to the productive sector and shifted much government borrowing to the international market.

Credit is generally allocated on market terms with equal access to both local and foreign companies. Although commercial interest rates have dropped from as high as 60 percent in June 1996 to about 33 percent in June 2000, they remain very high. Commercial banks have only slowly reduced lending rates in response to cuts in the Bank of Jamaica's cash reserve requirements. The government announced plans to further reduce the cash reserve ratio from its current 16 percent rate to 12 percent (approaching Basle standards).

An effective regulatory system governs the conduct of brokers and companies. The Securities Act was passed and implemented in 1993 and further amended in 1996 to legalize the overall regulation of securities. All equities and bond dealers are required to be registered in Jamaica.

How to Finance Exports/Methods of Payment

Payment is generally made in the form of letters of credit or bills for collection. Local banking commissions vary from 1.15 to 3.45 percent.

In the United States, various export financing programs are available under the Small Business Administration (SBA) and the EXIM Bank. The EXIM Bank supports only goods and services being exported from the United States. Under the Export Working Capital Program of the SBA, guarantees of up to 90 percent of an export working capital loan (generally up to a maximum amount of USD 750,000) can be provided. The SBA and the U.S. Commercial Service offer a range of programs to respond to exporters' financing and information needs. For further information one may contact a U.S. Export Assistance Center (USEAC) or call 1-800-USA-TRADE.

Project Financing

There are two development banks in Jamaica:

-- the government's Development Bank of Jamaica Ltd. and

-- Trafalgar Development Bank, Jamaica's first private sector development bank. TDB offers medium to long-term loans, lease financing and project development and technical services in the areas of agriculture, manufacturing, tourism and related industries.

Multilateral organizations working in Jamaica with potential funding for development projects include the World Bank, the Inter American Development Bank (IADB), and the United Nations Development Program (UNDP).

Banks with Correspondent U.S. Banking Arrangement

Citibank has a U.S. parent institution. The Jamaica National Building Society (which predominantly specializes in home mortgages) is the only Jamaican financial institution with branches in the U.S. All Jamaican commercial banks have correspondent U.S. banking arrangements.

CHAPTER IX: BUSINESS TRAVEL

The normal working day for government offices and factories is 8:30 a.m. to 5:00 p.m. Monday through Thursday, and 8:30 a.m. to 4 p.m. on Fridays. Government offices are closed Saturday and Sunday. Almost all commercial businesses are open on Saturday, but few open on Sunday. Jamaica is on Eastern Standard Time (EST) year round and does not observe daylight saving time.

Holidays observed in Jamaica are the following:

New Year's Day.....	January 1
Ash Wednesday.....	Variable
Good Friday.....	Variable
Easter Monday.....	Variable
National Labor Day.....	May 23
Emancipation Day.....	August 1
Independence Day.....	August 6
National Heroes Day.....	October 16
Christmas Day.....	December 25
Boxing Day.....	December 26

U.S. citizens can enter the country with either a passport or proof of citizenship (a certified true copy or original birth certificate) and a photo I.D. (e.g., valid driver's license). No visa is required.

The Jamaican dollar is the unit of currency and is composed of 100 cents. The Jamaican dollar is traded freely against major international currencies. It is currently valued at a weighted average of about one USD = JD 42.25. Jamaican dollars and foreign exchange can be traded through the commercial banking system and authorized foreign exchange dealers. There are no restrictions on repatriating profits.

Jamaicans are a little more formal than North Americans. On first meeting, a friendly "Good.....Morning/Afternoon /Evening", will bring more response and respect than a casual "Hi."

Generally, Jamaican business acquaintances, after a courteous and friendly first greeting, will respond quickly to informality.

Jamaican cuisine is varied. Some of the most popular Jamaican dishes are: rice and beans; ackee and salt fish; patties (meat-filled pastries); jerk chicken; curried goat; and mackerel rundown. In addition, there are also many U.S. fast food outlets here, such as McDonald's, Burger King, Kentucky Fried Chicken, Kenny Roger's Roasters Chicken, Popeyes, Wendy's, Domino's Pizza, Pizza Hut, Taco Bell, and Subway.

Those who wish to bring in items temporarily such as laptop computers, software, exhibit material, etc., are required to identify the items at Customs, pay the required duty and General Consumption Tax (as security) and collect a refundable revenue deposit receipt. On exit from the country, the Customs authority refunds all the amount paid as security. In the case of importing machinery for just three to six months, the above procedure applies in addition to completed Customs Form C23.

Jamaica is an import-oriented economy and hence prices of most products in general are higher than in the United States. Mark up on most items except food is generally high. Mark up on food items varies between 10 percent (wholesale) and 25 percent (retail). However, due to growing competition and recession in the economy, the mark ups on products are inching downwards.

CHAPTER X: ECONOMIC AND TRADE STATISTICS

APPENDIX A: COUNTRY DATA

Population: 2.58 million

Population Growth Rate: (1995-99): 0.97 percent

Religions: Anglican, Baptist and other Protestant, Roman Catholic

Government System: Constitutional monarchy

Language: English

Work Week: Monday through Friday. Most commercial businesses are open on Saturday.

APPENDIX B: DOMESTIC ECONOMY

Data Sources: -- Statistical Institute of Jamaica (STATIN)

-- Bank of Jamaica (BOJ)

-- Planning Institute of Jamaica

-- Year 2000 data are based on Post projection

1998

1999
(est)

2000
(proj)

GDP (Current Prices): (USD millions)	6,490.0	6,529.1	6,600.0
GDP Growth Rate	-0.5	-0.4	0.5
GDP Per Capita: (USD)	2,535	2,531	2,538
FY Government Spending* (as percent of GDP)	49.0	56.3	55.0
Inflation (percent)	7.9	6.8	7.0
Unemployment	15.5	15.7	16.0
Foreign Exchange Reserves (USD millions)	582.0	450.2	n.a.
Average Exchange Rate For USD 1.00: JDOLS	36.68	39.33	43.5
Foreign Debt (USD billions)	3.31	3.02	3.16
Debt Service Ratio (actual)	14.9	17.4	n.a.
U.S. Economic/Military Assistance FY 98	FY 99	FY 00	
(USD million)	16.93	19.15	13.21/1

* FY 1998/99 (April/Mar), 1999/00, 2000/2001
/1 does not include PL480 allocation as it is presently being negotiated.

APPENDIX C: TRADE (USD Millions)

	1998	1999	2000
Total Country Exports	1,316	1,238	1,240
Total Country Imports	3,029	2,893	3,000

U.S. Exports	521	441	463
U.S. Imports	1,546	1,384	1,450

APPENDIX D: INVESTMENT STATISTICS

According to United Nations World Investment Report (1997,1998 and 1999), net foreign direct investment in Jamaica for the period January 1996 - December 1998 amounted to about USD737 million. According to the Bank of Jamaica, direct investments for the period Jan-August 1999, amounted to USD165 million. Of the total foreign capital investments:

- 30.5 percent in agriculture/manufacturing;
- 24.8 percent in Mining;
- 24.3 percent in Tourism;
- 16.3 percent in Minerals; and
- 4.3 percent in Information Technology .

In addition to the above investments by sector, a sum of USD170.1 million was also invested during the first eight months of 1999 in the form of retained earnings, divestment, portfolio investments and other.

The following table provides available data on the approximate value of major foreign investment by country of origin promoted by JAMPRO during the period CY 1996 - 1998:

COUNTRY	YEAR	CAPITAL INVESTMENT JDOLS MILLIONS
Australia	1997	0.175
	1998	0.167
	1999	0.220
Austria	1996	3.465
	1997	0.033
Barbados	1997	0.540
Belgium	1999	1.000
Canada	1996	8.664
	1997	265.733
	1998	111.943
	1999	7.276
Cayman Island	1998	44.735
	1999	78.200
China	1997	7.575

Colombia	1998	193.578
Denmark	1999	0.730
France	1996	6.338
	1997	3.550
	1998	0.367
	1999	0.912
Germany	1996	13.099
	1997	2.748
	1998	1.005
	1999	7.702
Hong Kong	1996	56.875
	1997	2.748
	1998	75.240
Hungary	1996	0.468
Italy	1997	0.660
	1998	18.071
	1999	0.400
Japan	1996	0.834
	1997	4.728
	1998	3.631
Korea	1996	10.000
Mexico	1996	0.195
Netherlands	1996	0.117
	1999	0.183
Spain	1996	7.000
South Africa	1998	0.947
	1999	0.365
Trinidad	1996	3.900
U.K.	1996	18.172
	1997	2.990
	1998	36.975
	1999	29.867

U.S.	1996	199.629
	1997	390.329
	1998	1,099.353
	1999	849.635

(Note: Ex. Rate USD 1.00 = JDOLS 37.02 (1996)

JDOLS 35.58 (1997)

JDOLS 36.68 (1998)

JDOLS 39.33 (1999)

CHAPTER XI: U.S. AND COUNTRY CONTACTS

APPENDIX E: U.S. AND COUNTRY CONTACTS

U.S. Embassy Trade Personnel

Carol Kim, Regional Senior Commercial Officer

U.S. Department of Commerce

U.S. & Foreign Commercial Service

U.S. Embassy

Avenida Pedro Henriquez Urena #133

Edificio Empresarial Reyna I, 5TH Floor

La Esperilla

Santo Domingo, Dominican Republic

TEL: (809) 227-2121; FAX: (809) 540-1267

Emile Finlay

Commercial Specialist

U.S. & Foreign Commercial Service

U.S. Embassy

Jamaica Mutual Life Center

2 Oxford Road

Kingston 5

Jamaica W.I.

TEL: (876) 929-4850; FAX: (876) 920-2580

Kevin Smith

Regional Agricultural Attache

United States Department of Agriculture

Foreign Agricultural Service

U.S. Embassy

Avenida Pedro Henriquez Urena #133

Edificio Empresarial Reyna I, 4to. Piso

La Esperilla

Santo Domingo, Dominican Republic

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United States Department of Agriculture
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John Struble
Economic Officer
U.S. Embassy
2 Oxford Road
Jamaica Mutual Life Center
TEL: 935-6085; FAX: 935-6029

Chambers of Commerce

American Chamber of Commerce of Jamaica
Mrs. Becky Stockhausen
Executive Director
77 Knutsford Boulevard
Kingston 5
TEL: (876) 929-7866/7; FAX: (876) 929-8597

Jamaica Chamber of Commerce
Mrs. Audre Spence
Executive Director
7 East Parade
Kingston
TEL: (876) 922-0150/1; FAX: (876) 924-9056

JAMAICAN TRADE OR INDUSTRY ASSOCIATIONS

Jamaica Exporters Association

13 Dominica Drive

Kingston 5

TEL: (876) 929-1292; 926-0586; FAX: (876) 960-1465

Jamaica Hotel & Tourist Association

2 Ardenne Rd

Kingston 10

TEL: (876) 926-2796 or 926-3635/6; FAX: (876) 929-1054

Jamaica Manufacturers Association Ltd.

85a Duke St.

Kingston

TEL: (876) 922-8880/8881/0787/2365; FAX: (876) 922-9205

Private Sector Organization of Jamaica (PSOJ)

39 Hope Road

Kingston 10

TEL: (876) 927-6238/6958/6957/6786; FAX: (876) 927-5137

Jamaica Promotions Corporation (JAMPRO)

35 Trafalgar Rd.

Kingston 10, Jamaica (W.I.)

TEL: (876) 929-7190/9; FAX: (876) 924-9650

Government of Jamaica Ministries

Governor-General

Right Honorable Sir Howard Cooke

King's House

Hope Road

Kingston 10

TEL: (876) 927-6424; FAX: (876) 929-0005

Prime Minister

Right Honorable P. J. Patterson, P.C., Q.C., M.P.

1 Devon Rd., P.O. Box 272

Kingston 10

TEL: (876) 927-9941/3; FAX: (876) 929-0005

Deputy Prime Minister

and Minister of Land and the Environment

Honorable Seymour Mullings

21 Dominica Drive
Kingston 5
TEL: (876) 926-4220/8; FAX: (876) 929-6733

Minister of Agriculture
Honorable Roger Clarke
Hope Gardens
Kingston 6
TEL: (876) 927-1731/4; FAX: (876) 927-1904

Minister of Education, Youth and Culture
Honorable Burchell Whiteman
2 National Heroes Circle
Kingston 4
TEL: (876) 922-1400/9; FAX: (876) 926-1837

Minister of Finance and Planning
Honorable Dr. Omar Davies
30 National Heroes Circle
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Minister of Foreign Affairs
Honorable Dr. Paul Robertson
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Minister of Foreign Trade
Honorable Anthony Hylton
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Minister of Health
Honorable Dr. John Junor
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Minister of Industry, Commerce and Technology
Honorable Phillip Paulwell
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Minister of Legal Affairs and Attorney General
Honorable A. J. Nicholson, Q.C.
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Mutual Life Building - North Tower
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Tel: (876) 906-1678/906-2416; Fax: (876) 906-7665

Minister of Labor & Social Security
Hon. Donald Buchanan
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TEL: (876) 922-9500/967-1900; FAX: (876) 922-6902

Minister of Local Government, Youth and
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Honorable Arnold Bertram
85 Hagley Park Road,
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TEL: (876) 754-0996; FAX: (876) 754-1007

Minister of Mining and Energy
Honorable Robert Pickersgill
36 Trafalgar Road
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Minister of National Security and Justice
Honorable K. D. Knight
Jamaica Mutual Life Building – North Tower
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Minister of Tourism & Sports
Honorable Portia Simpson Miller
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Minister of Transport and Works
Honorable Dr. Peter Phillips
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Minister of Water and Housing

Dr. Karl Blythe
Island Life Bldg.
Kingston 5
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Bank of Jamaica (BOJ)
Nethersole Place
Box 621
Kingston, Jamaica
TEL: (876) 922-0750/9

The Office of the Registrar of Companies
11 King Street
Kingston, Jamaica
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Market Research Firms

Market Research Services Ltd.
75 Knutsford Blvd.
Kingston 5
TEL: (876) 929-6311

CARICOM Consultants (Ja) Ltd.
28 Derrymore Road
Kingston 10
TEL: (876) 926-2731; FAX (876) 968-5895

Fidelity Economic Financial and Marketing Services Ltd.
15 Belmont Road
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TEL: (876) 929-0531

J.A. Young Research Ltd.
2a Kensington Crescent
Kingston 5
TEL: (876) 926-7437; FAX:(876) 9268529

Peter King Associates Ltd.
11A Waterloo Road
Kingston 10
TEL: (876) 960-8434; FAX: (876) 926-6695

Commercial Banks

Mr. Peter Moses
Country Corporate Officer (CCO)
Citibank N.A.
63 Knutsford Boulevard
Kingston 5
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Mr. William E. Clarke
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Mr. Brent Ciurlino
Acting Chief Executive Officer
Union Bank Holding Company Limited
17 Dominica Drive
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Mr. Michael McMorris
Chief Executive Officer
Trafalgar Commercial Bank Limited
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Mr. Raymond Campbell
V.P., Commercial Clients & Corporate Affairs
CIBC Jamaica Limited
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Mr. Jeffrey Cobham
Managing Director
National Commercial Bank Jamaica Limited
The Atrium
32 Trafalgar Road
Kingston 10
TEL: (876) 929-9050/89; FAX: (876) 968-1342

For divestment of public enterprises:

National Investment Bank of Jamaica (NIBJ)
11 Oxford Road
Kingston 5
TEL: (876) 960-9690; FAX: (876) 920-0907

Multilateral Development Banks

The World Bank
6 St. Lucia Ave.
Kingston 5
TEL: (876) 960-0459; FAX: (876) 960-0463

Inter-American Development Bank (IADB)
Representative: Mr. Robert Bellefeuille
40 Knutsford Blvd.
Kingston 5
TEL: (876) 926-2342; FAX: (876) 926-2898

Washington-Based USG Country Contacts

U.S. Department of Commerce
International Trade Administration
Jamaica Desk: Mark Siegelman
Washington, D.C. 20230
Telephone: (202) 482-0704

Note: To request information on regional business topics (e.g. NAFTA, CBI, etc.) by fax, phone
AMERIFAX: (202) 482-2527
or for global topics TPCC Trade Information Center
phone: 1-800-USA-TRADE

U.S. Department of State
Jamaica Desk - Kathleen Lang
ARA/CAR, Room 3248 Main State.
2201 C Street, N.W.
Washington, D.C. 20520
Telephone: (202) 647-3210

U.S. Agency for International Development (USAID)
Jamaica Desk
LAC/CAR, Room 3243 Main State
2201 C Street, N.W.
Washington, D.C. 20520

Telephone: (202) 647-4105

The Multilateral Development Bank Office
Director: Janet Thomas
14th St. and Constitution Ave., N.W.
Washington, D.C. 20230
TEL: (202) 482-3399; FAX: (202) 273-0927

U.S. Department of Agriculture
Foreign Agricultural Service
Trade Assistance and Promotion Office
USDA/FAS/AGX AGSTOP 1052
Washington, D.C. 20250-1052
TEL: (202) 720-7420; FAX: (202) 690-0193

OTHER CONTACT INFORMATION:

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53 Knutsford Boulevard
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E-MAIL: BroadCom@toj.com

Consumer Affairs Commission
P C J Building
36 Trafalgar Road
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TEL: (876) 926-1650-2; FAX: (876) 968-8729
E-MAIL: CACJam@infochan.com

Fair Trading Commission
52 Grenada Crescent
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E-MAIL: FTC@cwjamaica.com

Financial Sector Adjustment Company Ltd.
(FINSAC)
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Trade Board Limited
107 Constant Spring Road
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CHAPTER XII: MARKET RESEARCH

Market Research on various sectors in Jamaica and other countries around the world are available through the U.S. Department of Commerce and its many on-line facilities.

Country Commercial Guides as well as other research documents such as Industry Sector Analyses (ISA's) and International Market Insights (IMI's) are available for U.S. exporters from the National Trade Data Bank's (NTDB) CD-ROM or via the INTERNET. The Country Commercial Guide is submitted annually and approximately two ISA's and several dozen IMI's are prepared and submitted from Jamaica each year.

Please contact STAT-USA at 1-800-STAT-USA for more information. Country Commercial Guides can be accessed via the World Wide Web at [HTTP://WWW.STAT-USA.GOV](http://WWW.STAT-USA.GOV) and [HTTP://WWW.STATE.GOV/](http://WWW.STATE.GOV/), and [HTTP://WWW.MAC.DOC.GOV](http://WWW.MAC.DOC.GOV). They can also be ordered in hard copy or on diskette from the National Technical Information Service (NTIS) at 1-800-553-NTIS. U.S. exporters seeking general export information/assistance and country-specific commercial information should contact the U.S. Department of Commerce, Trade Information Center by phone at 1-800-USA-TRADE or by fax at (202) 482-4473.

CHAPTER XIII: TRADE EVENT SCHEDULE

September 14-16 2000
EXPO USA 2000;
Santo Domingo, DR

October 2000
Expo Franchise International
Santo Domingo, DR (tentative)

November 11-13 2000
Caribbean Tourism Infrastructure Conference
Port of Spain (tentative)

November 2000
COMDEX
Las Vegas, Nevada

Spring 2001
Wireless 2001

Dallas, Texas

Spring/Summer 2001
International Franchise Expo

Washington, D.C.

Summer/Fall 2001

Caribexpo

Kingston/Bahamas (tentative)